

# SOUTH DEVON HERD BOOK SOCIETY

England & Wales · Charity number 254166

## Details

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**Other names** SOUTH DEVON CATTLE SOCIETY, S D H B S

**Status** Registered

**Legal form** Charitable company

**Company number** 00035107

**Registered** 1967-11-06

**Register** [View on the Charity Commission register](#)

## Contact

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**Address** Holme House  
The Dale  
Ainstable  
Carlisle  
CA4 9RH

**Phone** 01392447494

**Email** [info@sdhbs.org.uk](mailto:info@sdhbs.org.uk)

**Website** [www.sdhbs.org.uk](http://www.sdhbs.org.uk)

## Activities

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**Objects:** TO MAINTAIN, ENCOURAGE, PROMOTE AND IMPROVE THE BREEDING OF SOUTH DEVON CATTLE IN THE UNITED KINGDOM OF GREAT BRITAIN AND NORTHERN IRELAND OR ELSEWHERE THROUGHOUT THE WORLD. (FOR FURTHER DETAILS SEE CLAUSE 3 OF MEMORANDUM AND ARTICLES OF ASSOCIATION AMENDED 5TH AUGUST 1976.)

**Activities:** Maintaining the Herd Book of the South Devon Pedigree Breed.

## Classification

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- **How:** Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research
- **What:** Animals
- **Who:** Other Defined Groups

## Geography

- **Area of benefit:** UTD. KINGDOM OF GREAT BRITAIN,NORTHERN IRELAND AND ELSEWHERE
- Throughout England And Wales

## Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£188,821	£290,224	-	-
2023-12-31	£205,356	£238,474	-	-
2022-12-31	£233,829	£234,148	-	-
2021-12-31	£199,012	£214,096	-	-
2020-12-31	£203,221	£206,398	-	-

## Trustees

Name	Role	Appointed
Angela Rose Smaridge		2024-04-02
David Lindsay Irving		2025-04-08
John Francis Tucker		2024-04-02
John Lowthian Bell		2024-04-02
Jonathan Mcinnes Skinner		2025-04-08
Kevin Scott Finch		2024-04-02
Nigel William Bunkum		2024-04-02
RICHARD VERNON HARTSHORN		2025-04-08
Reuben Alexander Saunders		2025-04-08
Robert Edward Hadley		2024-04-02
Tim Eustice		2025-04-08

**SOUTH DEVON HERD BOOK SOCIETY**

England & Wales - Charity number 254166

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# Accounts

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Company registration number: 00035107

Charity registration number: 254166

# South Devon Herd Book Society

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2024

Wortham Jaques Ltd  
Chartered Accountants and Charity Advisers  
130a High Street  
Crediton  
Devon  
EX17 3 LQ

# South Devon Herd Book Society

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## South Devon Herd Books Society

### Trustees' Report

#### CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES

for the year ended 31st December 2024

I want to start my second Chairman's report to the Trustees with great news. We are still ranked by AHDB as top in three of the five native beef categories. These are:

Daily Liveweight Gain  
Carcass Confirmation (joint)  
Carcass Weight.

Looking forward, we have a lot to be proud of to borrow the political cliché we can see the green shoots of recovery. I am pleased to report that we are getting enquiries from Farmers outside of our breed for animals from a high herd health status or within a health scheme and they are looking for specific traits from performance recorded herds with high accuracy Estimated Breeding Values to fulfil their business needs. The work that we have done as a society in the past is beginning to pay off.

I would encourage all of you to become involved in performance recording and health schemes as this will put you in a competitive position to achieve high sale prices for your cattle.

The not so good news, registrations are down again. I have stated many times that **registrations are the life blood of this Society**. Can we excuse this fact this year after the changes that have been? Perhaps yes but increasing the number of registrations next year has to be a priority to reverse the trend of the last few years. I believe that we can build on the fantastic work that Anna has done, by re-connecting with the Membership and increasing the Membership and with that increasing the registrations.

In July we interviewed for the position of Breed Promotion Executive and I was overwhelmed by the number of job applications we received, we had in excess of 135. Once we had looked through and shortlisted, we formed an interview panel consisting of Gordon Tully, Richard Hartshorn, Adrian Rundle and myself. After a long day we were delighted to offer Anna Griffin the role of Breed Promotion Executive and we were even more delighted that she accepted.

This was one of the significant changes to the Society's Structure both in personnel and office. The office at Westpoint has closed and we have relocated to Carlisle where Pedigree Livestock Services [PLS] take care of all the office administration and registrations for the Society. In situations where you have major changes there were bound to have been bumps and potholes in the road. However, the road to success is always under construction and I would like to take this opportunity to thank Andy Ryder and his team who now oversee all the work that was done by the office at Westpoint. In particular, I would like to single out and thank Hannah Metcalfe for all the work she has done to make this transition as smooth as possible.

At the end of July we said farewell to Liz who had worked for the Society for over 36 years. In August we said farewell to Caroline who had been our Breed Secretary since 2003. I would like to take this opportunity to wish them both all the success for the future. To mark this achievement in October we hosted a lunch with all the past Presidents and Chairman's of the Society since Caroline had been in post. It was great to see so many of you there. Caroline and Liz would like me to thank those Members who generously donated to their leaving fund. They were deeply moved and touched.

Whilst our accounts for 2024 do not look good showing a loss of £72901 I must emphasise that we have incurred a lot of one-off expenses. It was important for us to obtain the correct legal advice as any mistakes made with restructuring can be costly. Please remember that the redundancy payments were **well** above the statutory minimum to reflect the number of years' service of Caroline and Liz, of 23 and 36 respectively. These were very hard to make and not one that I relished but were important for the Society to make for its future.

As you will see from the accounts this year the registrations have fallen again and I will repeat what I said last year the **registrations are the lifeblood of the society** please do think about registering your animals to support the Society. Registration fees for online registrations have not increased this year. We are in the process of

## South Devon Herd Books Society

### Trustees' Report

setting up direct debit payments that will enable members to spread the cost of their registrations over 6 or 12 months and therefore encouraging members to register their cattle.

I would like to say a big thank you to all of you who attended many of the shows throughout the country and to our President Roger Laity who travelled the country visiting these shows. To those of you who attended our National show at The Royal Cornwall Showground it really was a great display of cattle and one that certainly gave our Judge Philip Claridge something to think about.

I would like to thank the Executive Committee for all their help and support throughout the last 12 months they have all stepped up to the mark and given their full support to the Society. We have had to have many meetings. I would like to thank Adrian Rundle especially for his exemplary work on the accounts and Bob Bostelmann who formed part of the Human Resources Committee with Adrian and myself.

I must praise the work done by the Breed Promotion and Breed Development Committees to ensure our much-loved Breed remains relevant into the future. We have seen a huge increase in our media coverage over the past 12 months.

Building on that it was great to see so many people attend the national herd competition winners open day in Aberystwyth at Charles Grisedale's Cefngwyn Herd. It was a great sight the moment we entered the first paddock into a group of 2-year-old heifers. I would like to thank the judges Philip Laity Robert Hadley and Ashley Rowe who had taken time away from their farms to travel around the country.

Lastly, I would also like to thank the Council for their support over the last 12 months. Some Members were new to Council and in their first meeting were not afraid to take difficult and challenging decisions especially about making efficiencies to safeguard the future of the Society.

Like with all societies, clubs, groups etc the success of it is dependent on its members and its membership support.

### Edward Hawkins, Society Chairman

#### Council attendance

Mr E G Hawkins	4	Mr O Rounsevell	2	Mr R W Camp	3
Mr R Hadley	3	Mrs A Smaridge	4	Mr T R F Smyth	0
Mr K Finch	3	Mr J Tucker	4	Mr A Rundle	4
Mr R C Burrough	2	Sir J Bell	2	Mrs A Riches	3
Mr J C Coward	3	Miss R Dennis	2	Mr R D Ashcroft	3
Mr N Bunkum	4	Mrs G Sell	4	Mr R W Bostelmann	3
Mr R J Rowe	4				

#### Executive attendance

Mr E G Hawkins	5	Mr R V Hartshorn	5	Mr A Rundle	5
Mr C J Edwards	4	Mr G H Tully	5	Mr P S Rowe	5
Mr R A Ford	3				

## South Devon Herd Books Society

### Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2024.

#### LEGAL AND ADMINISTRATIVE DETAILS

##### Status

The charity is a company limited by guarantee (number 35107) and was incorporated on 2<sup>nd</sup> November 1891. It was registered with the Charity Commission (number 24166) on 6<sup>th</sup> November 1967. The company was established under a Memorandum of Association which describes the objects and powers of the charitable company, and it is governed under its Articles of Association.

##### Registered Office

c/o Pedigree Livestock Services  
Holme House  
Dale  
Ainstable  
CA4 9RH

##### Bankers

Lloyds Bank plc  
41 Courtenay Street  
Newton Abbot  
Devon  
TQ12 2QW

##### Investment Adviser

Brewin Dolphin Ltd  
Vantage Point  
Woodwater Park  
Pynes Hill, Exeter  
Devon, EX2 5FD

##### Solicitor

Michelmores LLP  
Woodwater House  
Pynes Hill  
Exeter  
Devon, EX2 5WR

##### Independent Examiner

Wortham Jaques  
130 High Street  
Crediton  
Devon  
EX17 3LQ

##### Trustees of the Society

The trustees of the charity are the members of its Council who are elected by the Society's members and who serve for a three-year period after which they must stand down for one year before being eligible for re-election. The trustees for the year end up to the date this report was signed were:

##### Region 1

O Rounsevell  
N Bunkum  
R Rowe  
A Rundle

##### Region 2

A Smaridge  
R C Burrough  
R W Camp  
R Dennis  
J Tucker

##### Region 3

J C Coward  
A Riches

##### Region 4

R D Ashcroft

##### Region 5

K Finch  
G Sell

##### Region 6

R W Bostelmann  
R Hadley

##### Region 7

Sir J Bell  
T R F Smyth

PS Rowe, J Farnsworth, C Grisedale, J Fentem, H Ashcroft, J Shinner retired at the AGM in 2024; and they were replaced by K Finch, N Bunkum, A Smaridge, J Tucker, Sir J Bell, R Hadley,

O Rounsevell, R Burrough, J Coward, G Sell, R Bostelman, R Smyth will retire at the AGM in 2024.

##### Recruitment of trustees

The trustees are nominated and elected by secret ballot by the members of the Society in their regions as and when vacancies arise.

##### Induction and training of trustees

The trustees are encouraged to access information from the Charities Commission website as to their roles and responsibilities, and a Charities Commission introductory publication is made available to them at the start of their term as trustee. There is no formal training, but existing trustees assist new trustees with procedural practice, and help and advice is available from the Breed Secretary. New trustees are invited to attend the Council meeting immediately prior to the AGM where they take office but without voting powers.

## South Devon Herd Books Society

### Trustees' Report

#### Officers of the Society

Chairman:	E G Hawkins
Deputy Chairman:	C J Edwards
Secretary:	Pedigree Livestock Services

An Executive Committee appointed by Council formulates and carries out policy as directed by Council. Members of the Committee attend Council meetings but have no voting rights unless also Council members. The following were members of the Executive Committee during the year:

E Hawkins (Chairman), C J Edwards, R A Ford, R V Hartshorn, P S Rowe, R A Rundle (co-opted) and G H Tully.

Subsidiary committees – Breed Development and Breed Promotion – met during the year to formulate and carry out policy as directed by Council. Their members were appointed by Council. In addition, Judges Advisers met once with the Executive Committee.

#### Work of the Society

The Breed Secretary – Pedigree Livestock Services- has day to day responsibility for the running of the business. This includes – Our pedigree registration work, DNA and management of Breedplan, organising events, sourcing advice for members and non-members, producing the Society's information publications and the breed journal, our office administration work and our bookkeeping and invoicing. They also advise the Council on policy matters and decisions.

A Griffin – Our Breed Promotion Executive is responsible for promoting the breed and increasing our membership and registrations. Engaging with existing and new members – Anna promotes the breed and meets with members across the country and attends shows and events – working closely with Pedigree Livestock Services, Executive and Council.

#### Objectives

The Society exists to maintain the purity and improve the breeding of South Devon cattle in the United Kingdom of Great Britain and Northern Ireland or elsewhere throughout the world. This is carried out by:

- Producing and maintaining the South Devon Herd Book records
- Encouraging pedigree registrations, performance recording and DNA testing
- Advising members and the public through the media, and periodic publications
- Holding pedigree sales
- Promoting the breed at regional and national agricultural shows and technical events
- Recruiting new members
- Initiating research projects associated with breed development, as appropriate

#### Review of Society

In December 2022 the trustees commissioned a review of the Society to include its structure and activities. This was carried out by three individuals and presented to Council in February 2023. Recommendations and observations were made and a number of measures immediately instigated, including a review of the Articles of Association, a new Treasurer appointment, and new promotional investments. Following on from the review, the financial position of the society meant that the Council and Executive had to take the decision to re-structure the society for the benefit of the breed, members and future generations. Our high cost base and reducing income and large trading deficit meant the decision was taken to make our 2 members of staff redundant and close the Exeter office. Registration and Breed Secretary work was outsourced to Pedigree Livestock Services and our book keeping and accounts which were undertaken on a self-employed basis, were also transferred at the end of the year. The Society appointed Anna Griffin as our Breed Promotion Executive on a self-employed basis to work with the society and help promote and grow our great breed!

#### Public benefit

The trustees have complied with the duty in section 17 (5) of the 2011 Charities Act to have due regard to the guidance published by the Charity Commission.

The Society seeks to inform the public and its members of the benefits of breeding South Devon cattle including its suitability for environmental schemes and low carbon regenerative mixed farming practices. It achieves this through its publications, website, social media platform, staging of publicity and information events, and participation at public industry events such as agricultural shows, exhibitions and open days. It sponsors youth activities and holds competitions specifically for younger members.

Through its work the Society promotes the South Devon breed as a grazing beef breed native to the UK, contributing to the sustainability of the environment in high welfare, low carbon emitting systems by converting pasture to a high quality, healthy, consumable product.

## South Devon Herd Books Society

### Trustees' Report

The Society encourages its members to implement high biosecurity and welfare standards, and to protect their herds from a range of endemic cattle diseases by way of knowledge transfer.

#### Review of activities

Government support systems linked to environmental safeguarding were further rolled out to replace the EU farm subsidy system. This in addition to the increasing impacts of climate change, issues of carbon emissions, and Brexit implications made for considerable uncertainty in future farming practices and an urgent need for the consideration of further on-farm management efficiencies and adaptability.

The UK beef market has been extremely strong throughout the year, with some record prices, which was good for sellers of store and finished cattle. However, this has continued to encouraged more female stock to be sold for beef rather than retained as pedigree, and the year saw a further significant fall in female registration activity.

In addition to pedigree registrations members are offered a range of services including free weight recording, DNA testing, and a regular information service. Society regions arrange local events for members and guests, such as farm walks and herd competitions.

The two premier Society Sales were held in the spring and autumn and both were successful. The South Devon Cattle Breeders Club held a spring sale.

The Society expended resources on breed stands at the Royal Cornwall, Devon County, and Royal Welsh Shows; Agri-Expo Carlisle; Agri-Fest Exeter.

The breed promotion committee undertook more direct work involving social media, website design, and the design of new materials for stand display and hand-out information.

The breed development committee has worked on updating the breed society semen catalogue in conjunction with Anna Griffin.

The Society's publications during the year included: the breed Journal; sale catalogues; semen lists; and regular newsletters. In addition, the Society's social media pages were regularly populated by members of the breed promotion committee and our Breed Promotion Executive – this is really helping to promote the breed. Anna Griffin produced a 12 days of Christmas programme promoting the breed on social media and this received a huge response and helped reach a new audience.

#### Financial review

The gross incoming resources for the year amounted to £188,821 (£205,356 in 2023). Total expenditure was £290,224 (£238,474 in 2023). The results from the year from normal activities show a deficit of £101,403 compared to a deficit of £51,750 in the previous 12 months. There were net realised gains from investments of £28,502 (£22,116 in 2023), resulting in a total net movement in funds of (£72,901). The total investment portfolio value at the end of the year stood at £441,023 (£523,051 in 2023). Total charity funds at the end of the year stood at £505,146 (£578,047 at the end of 2023).

#### Statistical information/comment

<u>Membership</u>	<u>At 26/03/25</u>	<u>2023</u>			
Full	432	458			
Associate & Retired	44	45			
Life	33	33			
Youth	3	4			
Introductory	12	17			
	<u>524</u>	<u>557</u>			
<u>Registrations</u>	<u>2024</u>	<u>2023</u>	<u>Transfers</u>	<u>2024</u>	<u>2023</u>
Male	169	169	Males	94	82
Female	2129	2412	Female	215	208
	<u>2298</u>	<u>2581</u>		<u>309</u>	<u>290</u>

## South Devon Herd Books Society

### Trustees' Report

#### **Investment Policy and Preference**

The Society's investment objective is to maintain and enhance the value of the fixed assets over the long term to maintain and, if possible, to increase the income available for the purpose of the charity.

To achieve this objective the policy of the Society is to invest in a broad range of equities and fixed interest investments. The investments are regularly reviewed with the assistance of independent expertise and their performance compared with the appropriate indices.

#### **Future Plans**

The Society's on-going objectives are to maintain the purity, improve the breeding, and promote the keeping of South Devon cattle in the United Kingdom or elsewhere in the world. Plans include the continued raising of the integrity of pedigree data; facilitating the availability of pedigree and other related information to members and non-members; encouraging the use of technical aids such as DNA testing and female type classification; promoting the breed to commercial beef producers; encouraging best practice in herd health; and the application of genomic EBVs for breed improvement and breeding selection.

#### **Risk Assessment**

The Society's Risk Assessment has been reviewed in 2024, and a Register of Risks is maintained. Measures to reduce the exposure to risk are regularly reviewed. The Society has in place measures to acquire member permission for publication of their contact details on the website and in paper publications to protect personal data.

#### **Reserves Policy**

Unrestricted reserves at the end of the year totalled £505,146 of which £74,315 has been designated by the Trustees for particular purposes (as shown in the notes to the full accounts). This left general reserves of £430,831. The Trustees aim to maintain these reserves at a level sufficient to cover business running costs for a period of 12 months, taking into account the particular volatility of the agricultural industry. In addition, the policy is to keep surplus funds available for allocation to specific breed development and/or breed promotion activities as and when decided by the Trustees.

# South Devon Herd Book Society

## Trustees' Report

### Statement of trustees' responsibilities

The trustees (who are also the directors of South Devon Herd Book Society for the purposes 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company 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 corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

22/09/2025

The annual report was approved by the trustees of the charity on ..... and signed on its behalf by:

*Edward Hawkins*

signed on 22/09/2025; 20:18:36 BST

E G Hawkins

Trustee

## South Devon Herd Book Society

### Independent Examiner's Report to the trustees of South Devon Herd Book Society ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2024.

#### Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of South Devon Herd Book Society as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....  
Charlotte Chapman Gibbs BFP FCA  
Wortham Jaques Ltd  
Chartered Accountants and Charity Advisers

130a High Street  
Crediton  
Devon  
EX17 3 LQ

Date:.....

## South Devon Herd Book Society

### Statement of Financial Activities for the Year Ended 31 December 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2024 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	28,014	28,014
Charitable activities	4	124,415	124,415
Other trading activities	5	21,283	21,283
Investment income	6	15,109	15,109
Total income		188,821	188,821
<b>Expenditure on:</b>			
Raising funds	7	(9,480)	(9,480)
Charitable activities	8	(280,744)	(280,744)
Total expenditure		(290,224)	(290,224)
Gains/losses on investment assets		28,502	28,502
Net expenditure		(72,901)	(72,901)
Net movement in funds		(72,901)	(72,901)
<b>Reconciliation of funds</b>			
Total funds brought forward		578,047	578,047
Total funds carried forward	25	505,146	505,146

The notes on pages 13 to 34 form an integral part of these financial statements.

## South Devon Herd Book Society

### Statement of Financial Activities for the Year Ended 31 December 2024 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	29,480	550	30,030
Charitable activities	4	140,269	-	140,269
Other trading activities	5	19,915	-	19,915
Investment income	6	15,142	-	15,142
Total income		204,806	550	205,356
<b>Expenditure on:</b>				
Raising funds	7	(9,939)	(6)	(9,945)
Charitable activities	8	(227,985)	(544)	(228,529)
Total expenditure		(237,924)	(550)	(238,474)
Gains/losses on investment assets		22,116	-	22,116
Net expenditure		(11,002)	-	(11,002)
Net movement in funds		(11,002)	-	(11,002)
<b>Reconciliation of funds</b>				
Total funds brought forward		589,049	-	589,049
Total funds carried forward	25	578,047	-	578,047

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 13 to 34 form an integral part of these financial statements.

**South Devon Herd Book Society**  
**(Registration number: 00035107)**  
**Balance Sheet as at 31 December 2024**

	Note	2024 £	2023 £
<b>Fixed assets</b>			
Tangible assets	15	33,747	31,542
Investments	16	<u>441,023</u>	<u>523,051</u>
		<u>474,770</u>	<u>554,593</u>
<b>Current assets</b>			
Stocks	17	3,601	1,372
Debtors	18	44,908	33,062
Cash at bank and in hand	19	<u>12,058</u>	<u>23,131</u>
		60,567	57,565
<b>Creditors: Amounts falling due within one year</b>	20	<u>(30,191)</u>	<u>(34,111)</u>
<b>Net current assets</b>		<u>30,376</u>	<u>23,454</u>
<b>Net assets</b>		<u>505,146</u>	<u>578,047</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		405,055	495,819
Revaluation reserve		<u>100,091</u>	<u>82,228</u>
Total unrestricted funds		<u>505,146</u>	<u>578,047</u>
<b>Total funds</b>	25	<u>505,146</u>	<u>578,047</u>

For the financial year ending 31 December 2024 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The notes on pages 13 to 34 form an integral part of these financial statements.

**South Devon Herd Book Society**  
**(Registration number: 00035107)**  
**Balance Sheet as at 31 December 2024**

The financial statements on pages 9 to 34 were approved by the trustees, and authorised for issue on  
22/09/2025 ..... and signed on their behalf by:

*Edward Hawkins*

signed on: 22/09/2025; 20:18:36 BST  
E G Hawkins  
Trustee

The notes on pages 13 to 34 form an integral part of these financial statements.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

C/o Pedigree Livestock Services

Holme House

Ainstable

Carlisle

CA4 9RH

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### Basis of preparation

South Devon Herd Book Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### Income and endowments

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

##### Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### *Deferred income*

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

#### *Investment income*

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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### *Raising funds*

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### *Charitable activities*

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £100.00 or more (other than trophies) are initially recorded at cost. Trophies are recorded as a donation at valuation and are capitalised in the year of donation.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Show equipment and trophies	10% reducing balance
Office equipment	20% reducing balance
Computer equipment	20% reducing balance

#### Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO) method.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **Financial instruments**

##### *Classification*

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

##### *Recognition and measurement*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### *Investments*

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

#### *Fair value measurement*

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

### 3 Income from donations and legacies

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
Donations and legacies;			
Donations from individuals	897	-	897
Regular giving and capital donations	27,117	-	27,117
<b>Total for 2024</b>	28,014	-	28,014
<b>Total for 2023</b>	29,480	550	30,030

### 4 Income from charitable activities

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Members' services	120,519	120,519
Breed development	3,896	3,896
<b>Total for 2024</b>	124,415	124,415
<b>Total for 2023</b>	140,269	140,269

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 5 Income from other trading activities

	<b>Unrestricted funds Designated £</b>	<b>General £</b>	<b>Total funds £</b>
Trading income;			
Sales of goods and services	-	2,407	2,407
Other trading income	-	13,626	13,626
Auction of promises	3,180	-	3,180
Lotteries and competitions income	-	2,070	2,070
<b>Total for 2024</b>	<b>3,180</b>	<b>18,103</b>	<b>21,283</b>
<b>Total for 2023</b>	<b>4,375</b>	<b>15,540</b>	<b>19,915</b>

#### 6 Investment income

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Income from dividends;		
Dividends receivable from other listed investments	14,794	14,794
Interest receivable and similar income;		
Interest receivable on bank deposits	65	65
Interest receivable on other loans	250	250
<b>Total for 2024</b>	<b>15,109</b>	<b>15,109</b>
<b>Total for 2023</b>	<b>15,142</b>	<b>15,142</b>

#### 7 Expenditure on raising funds

##### a) Costs of generating donations and legacies

	<b>Note</b>	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Depreciation, amortisation and other similar costs		30	30
Staff Costs		1,305	1,305
Allocated support costs	9	599	599
<b>Total for 2024</b>		<b>1,934</b>	<b>1,934</b>
<b>Total for 2023</b>		<b>1,214</b>	<b>1,214</b>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### b) Costs of trading activities

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Costs of goods sold		50	-	50
Lotteries and competitions		443	-	443
Depreciation, amortisation and other similar costs		50	-	50
Staff Costs		1,934	-	1,934
Allocated support costs	9	961	-	961
<b>Total for 2024</b>		<u>3,438</u>	<u>-</u>	<u>3,438</u>
<b>Total for 2023</b>		<u>4,179</u>	<u>6</u>	<u>4,185</u>

#### c) Investment management costs

	Note	Unrestricted funds General £	Total funds £
Other investment management costs; Amounts payable to investment managers		<u>4,108</u>	<u>4,108</u>
<b>Total for 2024</b>		<u>4,108</u>	<u>4,108</u>
<b>Total for 2023</b>		<u>4,206</u>	<u>4,206</u>

	Direct costs £	Allocated support costs £	Total costs £
Costs of generating donations and legacies	-	1,934	1,934
Costs of trading activities	493	2,945	3,438
Investment management costs	4,108	-	4,108
<b>Total for 2024</b>	<u>4,601</u>	<u>4,879</u>	<u>9,480</u>
<b>Total for 2023</b>	<u>8,934</u>	<u>1,011</u>	<u>9,945</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 8 Expenditure on charitable activities

	Note	Unrestricted funds		Restricted funds	Total funds
		Designated £	General £		
Members' services		-	35,671	-	35,671
Breed development		-	9,132	-	9,132
Breed promotion		-	31,393	-	31,393
Depreciation, amortisation and other similar costs		-	2,507	-	2,507
Staff costs		-	117,901	-	117,901
Allocated support costs	9	-	55,965	-	55,965
Governance costs	9	-	28,175	-	28,175
<b>Total for 2024</b>		-	<b>280,744</b>	-	<b>280,744</b>
<b>Total for 2023</b>		<b>5,331</b>	<b>222,654</b>	<b>544</b>	<b>228,529</b>

	Activity undertaken directly £	Activity support costs £	Total expenditure £
Members' services	35,671	133,895	169,566
Breed development	9,132	17,769	26,901
Breed promotion	31,393	24,709	56,102
<b>Total for 2024</b>	<b>76,196</b>	<b>176,373</b>	<b>252,569</b>
<b>Total for 2023</b>	<b>88,265</b>	<b>121,380</b>	<b>209,645</b>

In addition to the expenditure analysed above, there are also governance costs of £28,176 (2023 - £18,884) which relate directly to charitable activities. See note 9 for further details.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 9 Analysis of governance and support costs

##### Charitable activities expenditure

	Basis of allocation	Unrestricted funds		Restricted funds £	Total funds £
		Designated £	General £		
Prizes		-	586	-	586
Regional committees		-	142	-	142
Travelling		-	3,771	-	3,771
Breed research		-	131	-	131
Promotion and publicity		-	13,852	-	13,852
Breedplan costs		-	17,701	-	17,701
Shows, sales and competitions		-	18,590	-	18,590
Semen storage and distribution		-	963	-	963
DNA test costs		-	10,753	-	10,753
Journal production		-	9,707	-	9,707
<b>Total for 2024</b>		<u>-</u>	<u>76,196</u>	<u>-</u>	<u>76,196</u>
<b>Total for 2023</b>		<u>5,331</u>	<u>82,390</u>	<u>544</u>	<u>88,265</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### Support costs allocated to raising funds

	Basis of allocation	Staff costs £	Administration costs £	Premises costs including depreciation £	Other support costs £	Total funds £
Costs of generating donations and legacies	A	1,305	434	132	63	1,934
Costs of trading activities	A	1,934	632	263	116	2,945
<b>Total for 2024</b>		<u>3,239</u>	<u>1,066</u>	<u>395</u>	<u>179</u>	<u>4,879</u>
<b>Total for 2023</b>		<u>2,388</u>	<u>567</u>	<u>428</u>	<u>46</u>	<u>3,429</u>

#### Support costs allocated to charitable activities

	Basis of allocation	Staff costs £	Administration costs £	Premises costs including depreciation £	Other support costs £	Total funds £
Members' services	A	88,796	30,161	11,179	3,759	133,895
Breed development	A	12,553	4,452	526	238	17,769
Breed promotion	A	16,552	5,907	658	1,592	24,709
Governance	A	9,301	4,859	395	178	14,733
<b>Total for 2024</b>		<u>127,202</u>	<u>45,379</u>	<u>12,758</u>	<u>5,767</u>	<u>191,106</u>
<b>Total for 2023</b>		<u>94,600</u>	<u>20,634</u>	<u>13,846</u>	<u>1,440</u>	<u>130,520</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### Basis of allocation

Reference	Method of allocation
A	The amounts allocated to each activity are determined by the demand each activity has for each support resource.

#### Governance costs

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Staff costs		
Wages and salaries	4,219	4,219
Social security costs	169	169
Pension costs	157	157
Other staff costs	4,756	4,756
Independent examiner fees		
Examination of the financial statements	2,570	2,570
Legal fees	9,422	9,422
Depreciation, amortisation and other similar costs	80	80
Other governance costs	1,450	1,450
Allocated support costs	5,352	5,352
<b>Total for 2024</b>	<b>28,175</b>	<b>28,175</b>
<b>Total for 2023</b>	<b>18,884</b>	<b>18,884</b>

#### 10 Net incoming/outgoing resources

Net outgoing resources for the year include:

	<b>2024 £</b>	<b>2023 £</b>
Other non-audit services	2,570	2,450
Depreciation of fixed assets	2,667	1,016
	<b>2,667</b>	<b>1,016</b>

#### 11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 12 Staff costs

The aggregate payroll costs were as follows:

	2024 £	2023 £
<b>Staff costs during the year were:</b>		
Wages and salaries	51,896	79,533
Social security costs	2,053	3,466
Pension costs	3,289	1,964
Other staff costs	73,203	12,028
	<u>130,441</u>	<u>96,991</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2024 No	2023 No
Charitable activities	<u>2</u>	<u>2</u>

2 (2023 - 2) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £3,289 (2023 - £1,964).

During the year, the charity made redundancy and/or termination payments which totalled £57,000 (2023 - £Nil).

No employee received emoluments of more than £60,000 during the year.

#### 13 Independent examiner's remuneration

	2024 £	2023 £
Examination of the financial statements	<u>2,570</u>	<u>2,450</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 15 Tangible fixed assets

	Furniture and equipment £	Computer equipment £	Trophies and show equipment £	Total £
<b>Cost</b>				
At 1 January 2024	14,555	22,177	35,129	71,861
Additions	3,815	1,056	-	4,871
At 31 December 2024	18,370	23,233	35,129	76,732
<b>Depreciation</b>				
At 1 January 2024	14,061	20,581	5,677	40,319
Charge for the year	573	1,648	445	2,666
At 31 December 2024	14,634	22,229	6,122	42,985
<b>Net book value</b>				
At 31 December 2024	3,736	1,004	29,007	33,747
At 31 December 2023	494	1,596	29,452	31,542

#### 16 Fixed asset investments

	2024 £	2023 £
Other investments	441,023	523,051

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### Other investments

	Listed investments £	Unlisted investments £	Total £
<b>Cost or Valuation</b>			
At 1 January 2024	517,787	5,264	523,051
Revaluation	28,502	-	28,502
Additions	152,857	283,152	436,009
Disposals	<u>(266,361)</u>	<u>(280,178)</u>	<u>(546,539)</u>
At 31 December 2024	<u>432,785</u>	<u>8,238</u>	<u>441,023</u>
<b>Net book value</b>			
At 31 December 2024	<u>432,785</u>	<u>8,238</u>	<u>441,023</u>
At 31 December 2023	<u>517,787</u>	<u>5,264</u>	<u>523,051</u>

The market value of the listed investments at 31 December 2024 was £432,785 (2023 - £517,787).

#### 17 Stock

	2024 £	2023 £
Stocks	<u>3,601</u>	<u>1,372</u>

#### 18 Debtors

	2024 £	2023 £
Trade debtors	35,710	25,459
Prepayments	1,220	4,595
Accrued income	1,336	-
VAT recoverable	1,682	-
Other debtors	<u>4,960</u>	<u>3,008</u>
	<u>44,908</u>	<u>33,062</u>

Debtors includes £2,997 (2023: £2,997) receivable after more than one year.

	2024 £	2023 £
Other debtors	<u>2,997</u>	<u>2,997</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 19 Cash and cash equivalents

	2024 £	2023 £
Cash on hand	-	173
Cash at bank	12,058	22,958
	12,058	23,131

#### 20 Creditors: amounts falling due within one year

	2024 £	2023 £
Trade creditors	14,973	22,606
Other taxation and social security	104	2,553
Other creditors	5,687	4,890
Accruals	8,657	3,522
Deferred income	770	540
	30,191	34,111
	2024 £	2023 £
Deferred income at 1 January 2024	540	640
Resources deferred in the period	230	-
Amounts released from previous periods	-	(100)
Deferred income at year end	770	540

Deferred income relates to life membership subscriptions released over 10 years with a total unexpired value of £770 (2023: £540).

#### 21 Obligations under leases and hire purchase contracts

##### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2024 £	2023 £
<b>Land and buildings</b>		
Between one and five years	-	50,350
<b>Other</b>		
Within one year	6,782	6,782
Between one and five years	4,253	7,089
	11,035	13,871

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 22 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £3,289 (2023 - £1,964).

#### 23 Reserves

	<b>Unrestricted revaluation reserve £</b>	<b>Total £</b>
At 1 January 2024	82,228	82,228
Transfer of surplus funds	(10,639)	(10,639)
Unrealised gain on investments	28,502	28,502
	<hr/>	<hr/>
At 31 December 2024	100,091	100,091
	<hr/> <hr/>	<hr/> <hr/>
	<b>Unrestricted revaluation reserve £</b>	<b>Total £</b>
At 1 January 2023	56,442	56,442
Transfer of surplus funds	3,670	3,670
Unrealised gain on investments	22,116	22,116
	<hr/>	<hr/>
At 31 December 2023	82,228	82,228
	<hr/> <hr/>	<hr/> <hr/>

#### 24 Contingent liabilities

Registration fees paid will be credited upon application by the breeder who paid the registration fee where registered animals have been slaughtered before they are 30 months old. All applications must be made within 4 months of the animal's slaughter. The Society estimates the contingent liability arising to be in the region of £10,000 per year.

**South Devon Herd Book Society**

**Notes to the Financial Statements for the Year Ended 31 December 2024**

**25 Funds**

	<b>Balance at 1 January 2024 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Other recognised gains/(losses) £</b>	<b>Balance at 31 December 2024 £</b>
<b>Unrestricted funds</b>						
<i>General</i>						
Unrestricted funds	508,539	185,641	(290,224)	(1,627)	28,502	430,831
<i>Designated</i>						
National show	14,419	3,180	-	1,627	-	19,226
Genomic predictor	53,220	-	-	-	-	53,220
Breed promotion	1,869	-	-	-	-	1,869
	<u>69,508</u>	<u>3,180</u>	<u>-</u>	<u>1,627</u>	<u>-</u>	<u>74,315</u>
<b>Total funds</b>	<u><u>578,047</u></u>	<u><u>188,821</u></u>	<u><u>(290,224)</u></u>	<u><u>-</u></u>	<u><u>28,502</u></u>	<u><u>505,146</u></u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2023 £
<b>Unrestricted funds</b>						
<i>General</i>						
Unrestricted funds	519,316	200,431	(232,593)	(731)	22,116	508,539
<i>Designated</i>						
National show	14,644	4,375	(5,331)	731	-	14,419
Genomic predictor	53,220	-	-	-	-	53,220
Breed promotion	1,869	-	-	-	-	1,869
	<u>69,733</u>	<u>4,375</u>	<u>(5,331)</u>	<u>731</u>	<u>-</u>	<u>69,508</u>
<b>Total unrestricted funds</b>	589,049	204,806	(237,924)	-	22,116	578,047
<b>Restricted funds</b>						
Directed donations	-	550	(550)	-	-	-
<b>Total funds</b>	<u>589,049</u>	<u>205,356</u>	<u>(238,474)</u>	<u>-</u>	<u>22,116</u>	<u>578,047</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

The specific purposes for which the funds are to be applied are as follows:

#### Designated Funds

##### National Show

Allocation of the Club fund net income (£1,627) plus income from the Auction of Promises received this year (£3,180) towards the costs of the National Show.

##### DNA Research

Council agreed in September 2014 to set aside up to £60,000 from the Society's reserves towards this project and the costs have amounted to £6,780 to date.

##### Breed Promotion

Council agreed to set aside funds to be used for breed promotional purposes, such as show equipment for the display of graphic and videos.

##### Directed Donations

Gifts received where the donor has specified their wishes for the use of the funds.

#### 26 Analysis of net assets between funds

	Unrestricted funds		Total funds at
	General	Designated	31 December
	£	£	2024
Tangible fixed assets	33,747	-	33,747
Fixed asset investments	366,708	74,315	441,023
Current assets	60,567	-	60,567
Current liabilities	(30,191)	-	(30,191)
<b>Total net assets</b>	<b>430,831</b>	<b>74,315</b>	<b>505,146</b>

	Unrestricted funds		Total funds at
	General	Designated	31 December
	£	£	2023
Tangible fixed assets	31,542	-	31,542
Fixed asset investments	453,543	69,508	523,051
Current assets	57,565	-	57,565
Current liabilities	(34,111)	-	(34,111)
<b>Total net assets</b>	<b>508,539</b>	<b>69,508</b>	<b>578,047</b>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### 27 Analysis of net funds

	At 1 January 2024 £	Financing cash flows £	At 31 December 2024 £
Cash at bank and in hand	23,131	(8,076)	15,055
Net debt	23,131	(8,076)	15,055
	At 1 January 2023 £	Financing cash flows £	At 31 December 2023 £
Cash at bank and in hand	50,864	(27,733)	23,131
Net debt	50,864	(27,733)	23,131

#### 28 Related party transactions

During the year the charity made the following related party transactions:

##### **H M Ashcroft**

(Trustee to 02/04/2024)

Purchases from the Society at arms-length value £60.. At the balance sheet date the amount due to/from H M Ashcroft was £Nil (2023 - £Nil).

##### **Sir J L Bell**

(Trustee from 02/04/2024)

Purchases from the Society at arms-length value £628.. At the balance sheet date the amount due to/from Sir J L Bell was £Nil (2023 - £Nil).

##### **R W Bostelmann**

(Trustee)

Purchases from the Society at arms-length value £219.50.. At the balance sheet date the amount due from R W Bostelmann was £30 (2023 - £66 due to).

##### **N W Bunkum**

(Trustee from 02/04/2024)

Purchases from the Society at arms-length value £296. Credits received relating to performance recording, animal registration credits or National Show exhibitor incentives totalling £30.. At the balance sheet date the amount due from N W Bunkum was £132 (2023 - £Nil).

##### **R C Burrough**

(Trustee)

Purchases from the Society at arms-length value £2,266.. At the balance sheet date the amount due from R C Burrough was £727 (2023 - £Nil).

##### **R W Camp**

(Trustee)

Purchases from the Society at arms-length value £409.50.. At the balance sheet date the amount due from R W Camp was £224 (2023 - £89).

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### **J C Coward**

(Trustee)

Purchases from the Society at arms-length value £441. Credits received relating to performance recording, animal registration credits or National Show exhibitor incentives totalling £30.. At the balance sheet date the amount due to/from to J C Coward was £Nil (2023 - £108).

#### **R L Dennis**

(Trustee)

Purchases from the Society at arms-length value £212. Credits received relating to performance recording, animal registration credits or National Show exhibitor incentives totalling £15.. At the balance sheet date the amount due to/from R L Dennis was £Nil (2023 - £Nil).

#### **J Farnsworth**

(Trustee to 02/04/2024)

Purchases from the Society at arms-length value £60. At the balance sheet date the amount due to/from J Farnsworth was £Nil (2023 - £Nil).

#### **J Fentem**

(Trustee to 02/04/2024)

Purchases from the Society at arms-length value £309. Credits received relating to performance recording, animal registration credits or National Show exhibitor incentives totalling £150.. At the balance sheet date the amount due to/from to J Fentem was £Nil (2023 - £108).

#### **C O F Grisedale**

(Trustee to 02/04/2024)

Purchases from the Society at arms-length value £496.43.. At the balance sheet date the amount due to/from C O F Grisedale was £Nil (2023 - £Nil).

#### **E G Hawkins**

(Trustee to 02/04/2024)

Purchases from the Society at arms-length value £162.50.. At the balance sheet date the amount due to/from from E G Hawkins was £Nil (2023 - £155).

#### **A L Pascoe**

(Trustee to 02/04/2024)

Purchases from the Society at arms-length value £92.50.. At the balance sheet date the amount due to/from A L Pascoe was £Nil (2023 - £Nil).

#### **O W T Rounsevell**

(Trustee)

Purchases from the Society at arms-length value £639.. At the balance sheet date the amount due to/from O W T Rounsevell was £Nil (2023 - £Nil).

#### **P S Rowe**

(Trustee to 02/04/2024)

Purchases from the Society at arms-length value £230.. At the balance sheet date the amount due to/from from P S Rowe was £Nil (2023 - £656).

#### **R Rowe**

(Trustee)

Purchases from the Society at arms-length value £3,990. Credits received relating to performance recording, animal registration credits or National Show exhibitor incentives totalling £456.25.. At the balance sheet date the amount due to/from from R Rowe was £Nil (2023 - £30).

#### **R A Rundell**

(Trustee)

Purchases from the Society at arms-length value £810. Credits received relating to performance recording, animal registration credits or National Show exhibitor incentives totalling £285. At the balance sheet date the amount due from R A Rundell was £30 (2023 - £404).

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2024

#### **G Sell**

(Trustee)

Purchases from the Society at arms-length value £1142.. At the balance sheet date the amount due to/from G Sell was £Nil (2023 - £Nil).

#### **J W Shinner**

(Trustee to 02/04/2024)

Purchases from the Society at arms-length value £60.. At the balance sheet date the amount due to/from from J W Shinner was £Nil (2023 - £389).

#### **T R F Smyth**

(Trustee)

Purchases from the Society at arms-length value £60. At the balance sheet date the amount due to/from from T R F Smyth was £Nil (2023 - £491).

# Signatures' technical details

## Signatures

edward.hawkins@cutseyfarm.co.uk

22/09/2025, 20:18:36 BST

Fingerprint

a2bb98585d0ecd531b9363ca7101bacc538fe954

## Event log

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System 19/09/2025, 16:13:54 BST  
Notification sent to edward.hawkins@cutseyfarm.co.uk.

System 22/09/2025, 09:45:06 BST  
Signing page opened by signee edward.hawkins@cutseyfarm.co.uk.

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Signing page opened by signee edward.hawkins@cutseyfarm.co.uk.

System 22/09/2025, 09:48:16 BST  
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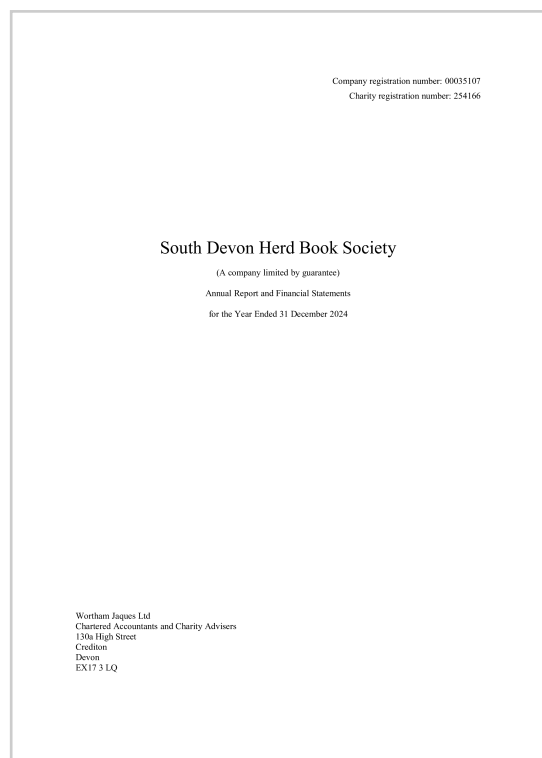
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System 22/09/2025, 20:18:36 BST  
Signee edward.hawkins@cutseyfarm.co.uk signed document.

System 22/09/2025, 20:18:36 BST  
Signing process completed.

## Summary

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**Document's hash:** 7165b7824683ef2f611c1fbb55eaa8264248077548c480a5fdbda580383da301  
**Final stamp:** 22/09/2025, 20:18:37 BST



Verification QR Code



**SOUTH DEVON HERD BOOK SOCIETY**

England & Wales - Charity number 254166

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# Accounts

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Company registration number: 00035107

Charity registration number: 254166

# South Devon Herd Book Society

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2023

Wortham Jaques Ltd  
Chartered Accountants and Charity Advisers  
130a High Street  
Crediton  
Devon  
EX17 3 LQ

# South Devon Herd Book Society

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# South Devon Herd Book Society

## Trustees' Report

### CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES

for the year ended 31st December 2023

Welcome to my first report as Chairman. I cannot describe how much of an honour it was to be elected as Chairman of the South Devon Herd Book Society in April 2023. I took over the reins from Philip Laity, whom I thank for all his hard work and dedication to the Society.

I would like to take this opportunity to thank those members who have given up their time to be on Council. Thanks go to Helen Ashcroft, James Shinner, Jayne Farnsworth, Charles Grisedale, and John Fentem for their three years of service. I would also like to thank those members that have been an important part of our sub-committees, Breed Development and Breed Promotion whose tireless work continues behind the scenes.

In farming, we all need to look at being more efficient in our businesses; any article you see in the farming press is always talking about being more efficient and every article will mention the use of EBV's as one of the tools in the box. I would encourage every member to submit any information they have to help us all. We have the breed that can do well in any system whether it be extensive or intensive. The South Devon will perform well as I witnessed firsthand when I judged the National Herd Competition with my fellow judges Lionel Pascoe and Gordon Tully.

Now with the onset of the Sustainable Farming Incentive and other environmental schemes we at last have a fantastic opportunity to succeed. A recent report from the Agriculture and Horticulture Development Board has identified that the South Devon Breed came **TOP** in three of the five native beef breed traits in AHDB's breed rankings:

- 1 **Daily Average Liveweight Gain**
- 2 **Carcase Conformation** (joint)
- 3 **Carcase Weight** (joint)

Going forward there is much work to do. We are working on a new website and ABRI in Australia are upgrading Breedplan. We are working closely with them and from what I've seen so far, the development work that they are doing will increase the user friendliness of their software system, making it easier for the office and for the membership to use. Later this year there will be the opportunity to meet with ABRI face to face.

As with all member based organisations such as ours, it is important that it is supported by **ALL** the membership. You will see from the accounts presented to you today that the Society needs to move from a deficit to a profit. All through my time as a member of the South Devon Herd Book Society, I have heard its membership and Council members talking about "**The registrations being the lifeblood of the Society**", never such a true word being spoken. Returning the Society to profit can be done with three options:

- 1 Reduce costs.
- 2 Increase revenue.
- 3 A combination of both.

## **South Devon Herd Book Society**

### **Trustees' Report**

We are all responsible for the upkeep and future of the Society, and we all need to be supporting the Society wherever and whenever we can. A simple fix to our budget proposals would be for every member to register two additional animals per year.

## South Devon Herd Book Society

### Trustees' Report

When they met in December, Council approved the budget which was showing a deficit of £34,541. Since then, the Executive Committee and Caroline have further reduced this to £14,405.

We have taken the decision to make all mailings, newsletters, pedigree certificates, statements and invoices, electronic where possible, and in doing so we have made some significant savings to the Society. This has not been an easy decision to make but in time more and more information will be sent out via e-mail. There will be further difficult decisions to make as we go forward. If you have anything that you would like to be discussed, then **please do contact your regional representative** and they can bring it forward to Council. Alternatively, my phone number and my e-mail address are in the Journal, and I am more than happy to speak to you about any of your concerns.

Unfortunately, we have had to cancel the National Show this year due to the bluetongue virus which is currently causing us all issues.

## **South Devon Herd Book Society**

### **Trustees' Report**

I am so grateful that the Executive members remain the same and I would like to thank my deputy chairman Colin Edwards, Richard Hartshorn, Gordon Tully, Peter Rowe, Richard Ford and our treasurer Adrian Rundle for all their tireless hard work. The Executive Committee meet on average every six weeks, and they all take time out of their busy schedules to attend.

I would like to take this opportunity to thank all those breeders who dedicate so much time and effort in the show ring around the country. All the exhibitors work together to make everyone part of the same team in and out of the showring. In particular, to those exhibitors who put on such a great display of cattle at the National Show, held at the Royal Three Counties showground in June. What a wonderful show of cattle we had there. Thanks go to the interbreed team of three, from Nigel and Liz Bunkum, and Richard Rowe.

I would like to thank all our judges, who have conducted themselves impeccably throughout the season and a special mention to Roger Rundle for judging the National Show.

## **South Devon Herd Book Society**

### **Trustees' Report**

Obviously, all the shows and events do not happen on their own and as you all know this cannot be done without the swans in the background, so thanks go to Caroline, Liz and David who take care of all the things that we don't see.

We as members of the Society have so much work to do to promote this fantastic breed of cattle that we all know and love.

With all the talent and enthusiasm that I have seen, meeting with members and discussions with the office, we have the tools that can make this breed stand out from the competition. We can only succeed by working together as a team to achieve Council's objectives.

**Edward Hawkins, Society Chairman**

## **South Devon Herd Book Society**

### **Trustees' Report**

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2023.

# South Devon Herd Book Society

## Trustees' Report

### Statement of trustees' responsibilities

The trustees (who are also the directors of South Devon Herd Book Society for the purposes 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), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including its income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards, comprising FRS 102 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 charitable company will continue in business.

The trustees are responsible for keeping proper accounting records that can disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company 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 corporate and financial information included on the charitable company's website. Legislation governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

### Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 2 April 2024 and signed on its behalf by:

.....  
R W Bostelmann  
Trustee

## South Devon Herd Book Society

### Independent Examiner's Report to the trustees of South Devon Herd Book Society ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2023.

#### Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of South Devon Herd Book Society as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....  
Charlotte Chapman Gibbs BFP FCA  
Wortham Jaques Ltd  
Chartered Accountants and Charity Advisers

130a High Street  
Crediton  
Devon  
EX17 3 LQ

2 April 2024

## South Devon Herd Book Society

### Statement of Financial Activities for the Year Ended 31 December 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Restricted funds £	Total 2023 £
<b>Income and Endowments from:</b>				
Donations and legacies	3	29,480	550	30,030
Charitable activities	4	140,269	-	140,269
Other trading activities	5	19,915	-	19,915
Investment income	6	15,142	-	15,142
Total income		204,806	550	205,356
<b>Expenditure on:</b>				
Raising funds	7	(9,939)	(6)	(9,945)
Charitable activities	8	(227,985)	(544)	(228,529)
Total expenditure		(237,924)	(550)	(238,474)
Gains/losses on investment assets		22,116	-	22,116
Net expenditure		(11,002)	-	(11,002)
Net movement in funds		(11,002)	-	(11,002)
<b>Reconciliation of funds</b>				
Total funds brought forward		589,049	-	589,049
Total funds carried forward	25	578,047	-	578,047

The notes on pages 13 to 33 form an integral part of these financial statements.

## South Devon Herd Book Society

### Statement of Financial Activities for the Year Ended 31 December 2023 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2022 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	32,143	32,143
Charitable activities	4	166,003	166,003
Other trading activities	5	23,842	23,842
Investment income	6	11,841	11,841
Total income		233,829	233,829
<b>Expenditure on:</b>			
Raising funds	7	(9,392)	(9,392)
Charitable activities	8	(224,756)	(224,756)
Total expenditure		(234,148)	(234,148)
Gains/losses on investment assets		(54,376)	(54,376)
Net expenditure		(54,695)	(54,695)
Net movement in funds		(54,695)	(54,695)
<b>Reconciliation of funds</b>			
Total funds brought forward		643,744	643,744
Total funds carried forward	25	589,049	589,049

All of the charity's activities derive from continuing operations during the above two periods.

The notes on pages 13 to 33 form an integral part of these financial statements.

**South Devon Herd Book Society**  
**(Registration number: 00035107)**  
**Balance Sheet as at 31 December 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	15	31,542	32,558
Investments	16	<u>523,051</u>	<u>485,224</u>
		<u>554,593</u>	<u>517,782</u>
<b>Current assets</b>			
Stocks	17	1,372	1,531
Debtors	18	33,062	65,024
Cash at bank and in hand	19	<u>23,131</u>	<u>50,864</u>
		57,565	117,419
<b>Creditors: Amounts falling due within one year</b>	20	<u>(34,111)</u>	<u>(46,152)</u>
<b>Net current assets</b>		<u>23,454</u>	<u>71,267</u>
<b>Net assets</b>		<u>578,047</u>	<u>589,049</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		495,819	532,607
Revaluation reserve		<u>82,228</u>	<u>56,442</u>
Total unrestricted funds		<u>578,047</u>	<u>589,049</u>
<b>Total funds</b>	25	<u>578,047</u>	<u>589,049</u>

For the financial year ending 31 December 2023 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The notes on pages 13 to 33 form an integral part of these financial statements.

**South Devon Herd Book Society**  
**(Registration number: 00035107)**  
**Balance Sheet as at 31 December 2023**

The financial statements on pages 9 to 33 were approved by the trustees, and authorised for issue on 2 April 2024 and signed on their behalf by:

.....  
R W Bostelmann  
Trustee

The notes on pages 13 to 33 form an integral part of these financial statements.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Westpoint  
Clyst St Mary  
Exeter  
Devon  
EX5 1DJ

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### Basis of preparation

South Devon Herd Book Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### Income and endowments

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

##### Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### *Deferred income*

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

#### *Investment income*

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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### *Raising funds*

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### *Charitable activities*

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

#### **Taxation**

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### **Tangible fixed assets**

Individual fixed assets costing £100.00 or more (other than trophies) are initially recorded at cost. Trophies are recorded as a donation at valuation and are capitalised in the year of donation.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Show equipment and trophies	10% reducing balance
Office equipment	20% reducing balance
Computer equipment	20% reducing balance

#### Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO) method.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **Financial instruments**

##### *Classification*

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

##### *Recognition and measurement*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### *Investments*

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

#### *Fair value measurement*

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

### 3 Income from donations and legacies

	<b>Unrestricted funds General £</b>	<b>Restricted funds £</b>	<b>Total funds £</b>
Donations and legacies;			
Donations from companies, trusts and similar proceeds	1,513	-	1,513
Donations from individuals	1,271	550	1,821
Regular giving and capital donations	26,696	-	26,696
<b>Total for 2023</b>	<b>29,480</b>	<b>550</b>	<b>30,030</b>
<b>Total for 2022</b>	<b>32,143</b>	<b>-</b>	<b>32,143</b>

### 4 Income from charitable activities

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Members' services	138,683	138,683
Breed development	1,586	1,586
<b>Total for 2023</b>	<b>140,269</b>	<b>140,269</b>
<b>Total for 2022</b>	<b>166,003</b>	<b>166,003</b>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 5 Income from other trading activities

	Unrestricted funds Designated £	General £	Total funds £
Trading income;			
Sales of goods and services	-	499	499
Other trading income	-	13,241	13,241
Sponsorship income	4,375	-	4,375
Lotteries and competitions income	-	1,800	1,800
<b>Total for 2023</b>	<b>4,375</b>	<b>15,540</b>	<b>19,915</b>
<b>Total for 2022</b>	<b>8,510</b>	<b>15,332</b>	<b>23,842</b>

#### 6 Investment income

	Unrestricted funds General £	Total funds £
Income from dividends;		
Dividends receivable from other listed investments	12,660	12,660
Interest receivable and similar income;		
Interest receivable on bank deposits	2,232	2,232
Interest receivable on other loans	250	250
<b>Total for 2023</b>	<b>15,142</b>	<b>15,142</b>
<b>Total for 2022</b>	<b>11,841</b>	<b>11,841</b>

#### 7 Expenditure on raising funds

##### a) Costs of generating donations and legacies

	Note	Unrestricted funds General £	Total funds £
Depreciation, amortisation and other similar costs		20	20
Staff Costs		970	970
Allocated support costs	9	337	337
<b>Total for 2023</b>		<b>1,327</b>	<b>1,327</b>
<b>Total for 2022</b>		<b>1,345</b>	<b>1,345</b>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### b) Costs of trading activities

	Note	Unrestricted funds General £	Restricted funds £	Total funds £
Costs of goods sold		1,234	6	1,240
Lotteries and competitions		1,069	-	1,069
Depreciation, amortisation and other similar costs		10	-	10
Staff Costs		1,419	-	1,419
Allocated support costs	9	674	-	674
<b>Total for 2023</b>		<u>4,406</u>	<u>6</u>	<u>4,412</u>
<b>Total for 2022</b>		<u>4,123</u>	<u>-</u>	<u>4,123</u>

#### c) Investment management costs

	Note	Unrestricted funds General £	Total funds £
Other investment management costs; Amounts payable to investment managers		<u>4,206</u>	<u>4,206</u>
<b>Total for 2023</b>		<u>4,206</u>	<u>4,206</u>
<b>Total for 2022</b>		<u>3,924</u>	<u>3,924</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 8 Expenditure on charitable activities

	Note	Unrestricted funds		Restricted funds	Total funds
		Designated £	General £		
Members' services		1,817	48,355	332	50,504
Breed development		181	12,255	12	12,448
Breed promotion		3,333	21,780	200	25,313
Depreciation, amortisation and other similar costs		-	956	-	956
Staff costs		-	87,520	-	87,520
Allocated support costs	9	-	32,904	-	32,904
Governance costs	9	-	18,884	-	18,884
<b>Total for 2023</b>		<u>5,331</u>	<u>222,654</u>	<u>544</u>	<u>228,529</u>
<b>Total for 2022</b>		<u>3,828</u>	<u>220,928</u>	<u>-</u>	<u>224,756</u>

	Activity undertaken directly £	Activity support costs £	Total expenditure £
Members' services	50,504	94,089	144,593
Breed development	12,448	11,560	24,008
Breed promotion	25,313	15,731	41,044
<b>Total for 2023</b>	<u>88,265</u>	<u>121,380</u>	<u>209,645</u>
<b>Total for 2022</b>	<u>86,737</u>	<u>123,588</u>	<u>210,325</u>

In addition to the expenditure analysed above, there are also governance costs of £18,884 (2022 - £14,431) which relate directly to charitable activities. See note 9 for further details.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 9 Analysis of governance and support costs

##### Charitable activities expenditure

	Basis of allocation	Unrestricted funds		Restricted funds £	Total funds £
		Designated £	General £		
Prizes		-	187	-	187
Regional committees		-	155	-	155
Herd Book production		-	1,555	294	1,849
Travelling		-	6,076	-	6,076
Sponsorship		-	510	-	510
Breed research		-	377	-	377
Promotion and publicity		-	2,744	-	2,744
Breedplan costs		-	24,359	-	24,359
Shows, sales and competitions		5,331	21,467	250	27,048
Semen storage and distribution		-	928	-	928
DNA test costs		-	14,454	-	14,454
Journal production		-	9,579	-	9,579
<b>Total for 2023</b>		<u>5,331</u>	<u>82,391</u>	<u>544</u>	<u>88,266</u>
<b>Total for 2022</b>		<u>3,828</u>	<u>82,909</u>	<u>-</u>	<u>86,737</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### Support costs allocated to raising funds

	Basis of allocation	Information technology £	Staff costs £	Administration costs £	Premises costs including depreciation £	Other support costs £	Total funds £
Costs of generating donations and legacies	A	-	970	189	153	15	1,327
Costs of trading activities	A	-	1,418	378	275	31	2,102
<b>Total for 2023</b>		-	2,388	567	428	46	3,429
<b>Total for 2022</b>		49	2,420	644	372	-	3,485

#### Support costs allocated to charitable activities

	Basis of allocation	Information technology £	Staff costs £	Administration costs £	Premises costs including depreciation £	Other support costs £	Total funds £
Members' services	A	-	64,186	17,128	12,135	640	94,089
Breed development	A	-	10,039	890	570	61	11,560
Breed promotion	A	-	13,293	1,032	713	693	15,731
Governance	A	-	7,082	1,584	428	46	9,140
<b>Total for 2023</b>		-	94,600	20,634	13,846	1,440	130,520
<b>Total for 2022</b>		1,389	95,103	24,630	12,276	-	133,398

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### Basis of allocation

Reference	Method of allocation
A	The amounts allocated to each activity are determined by the demand each activity has for each support resource.

#### Governance costs

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Staff costs		
Wages and salaries	6,236	6,236
Social security costs	275	275
Pension costs	210	210
Other staff costs	361	361
Independent examiner fees		
Examination of the financial statements	2,450	2,450
Legal fees	5,500	5,500
Depreciation, amortisation and other similar costs	30	30
Other governance costs	1,794	1,794
Allocated support costs	2,028	2,028
<b>Total for 2023</b>	<b>18,884</b>	<b>18,884</b>
<b>Total for 2022</b>	<b>14,431</b>	<b>14,431</b>

#### 10 Net incoming/outgoing resources

Net outgoing resources for the year include:

	<b>2023 £</b>	<b>2022 £</b>
Other non-audit services	2,450	1,875
Depreciation of fixed assets	1,016	1,203

#### 11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 12 Staff costs

The aggregate payroll costs were as follows:

	2023 £	2022 £
<b>Staff costs during the year were:</b>		
Wages and salaries	79,533	90,565
Social security costs	3,466	4,267
Pension costs	1,964	2,062
Other staff costs	12,028	629
	<u>96,991</u>	<u>97,523</u>

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	2023 No	2022 No
Charitable activities	<u>2</u>	<u>3</u>

2 (2022 - 3) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £1,964 (2022 - £2,061).

No employee received emoluments of more than £60,000 during the year.

#### 13 Independent examiner's remuneration

	2023 £	2022 £
Examination of the financial statements	<u>2,450</u>	<u>1,915</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 15 Tangible fixed assets

	Furniture and equipment £	Computer equipment £	Trophies and show equipment £	Total £
<b>Cost</b>				
At 1 January 2023	14,555	22,177	35,129	71,861
At 31 December 2023	14,555	22,177	35,129	71,861
<b>Depreciation</b>				
At 1 January 2023	13,939	20,182	5,182	39,303
Charge for the year	122	399	495	1,016
At 31 December 2023	14,061	20,581	5,677	40,319
<b>Net book value</b>				
At 31 December 2023	494	1,596	29,452	31,542
At 31 December 2022	616	1,995	29,947	32,558

#### 16 Fixed asset investments

	2023 £	2022 £
Other investments	523,051	485,224

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### Other investments

	Listed investments £	Unlisted investments £	Total £
<b>Cost or Valuation</b>			
At 1 January 2023	462,102	23,122	485,224
Revaluation	22,116	-	22,116
Additions	91,545	92,544	184,089
Disposals	<u>(57,976)</u>	<u>(110,402)</u>	<u>(168,378)</u>
At 31 December 2023	<u>517,787</u>	<u>5,264</u>	<u>523,051</u>
<b>Net book value</b>			
At 31 December 2023	<u>517,787</u>	<u>5,264</u>	<u>523,051</u>
At 31 December 2022	<u>462,102</u>	<u>23,122</u>	<u>485,224</u>

The market value of the listed investments at 31 December 2023 was £517,787 (2022 - £462,102).

#### 17 Stock

	2023 £	2022 £
Stocks	<u>1,372</u>	<u>1,531</u>

#### 18 Debtors

	2023 £	2022 £
Trade debtors	25,459	57,121
Prepayments	4,595	4,538
Other debtors	<u>3,008</u>	<u>3,365</u>
	<u>33,062</u>	<u>65,024</u>

Debtors includes £2,997 (2022: £2,997) receivable after more than one year.

	2023 £	2022 £
Other debtors	<u>2,997</u>	<u>2,997</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 19 Cash and cash equivalents

	2023 £	2022 £
Cash on hand	173	322
Cash at bank	22,958	50,542
	23,131	50,864

#### 20 Creditors: amounts falling due within one year

	2023 £	2022 £
Trade creditors	22,606	31,898
Other taxation and social security	2,553	5,517
Other creditors	4,890	4,365
Accruals	3,522	3,522
Deferred income	540	850
	34,111	46,152
	2023 £	2022 £
Deferred income at 1 January 2023	850	3,260
Amounts released from previous periods	(210)	(2,410)
Deferred income at year end	640	850

Deferred income relates to life membership subscriptions released over 10 years with a total unexpired value of £640 (2022: £850)

#### 21 Obligations under leases and hire purchase contracts

##### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2023 £	2022 £
<b>Land and buildings</b>		
Within one year	-	6,758
Between one and five years	50,350	-
	50,350	6,758
<b>Other</b>		
Within one year	6,782	-
Between one and five years	7,089	167,446
	13,871	167,446

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 22 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £1,964 (2022 - £2,061).

#### 23 Reserves

	<b>Unrestricted revaluation reserve £</b>	<b>Total £</b>
At 1 January 2023	56,442	56,442
Transfer of surplus funds	3,670	3,670
Unrealised gain on investments	22,116	22,116
	<hr/>	<hr/>
At 31 December 2023	82,228	82,228
	<hr/> <hr/>	<hr/> <hr/>
	<b>Unrestricted revaluation reserve £</b>	<b>Total £</b>
At 1 January 2022	135,796	135,796
Transfer of surplus funds	(24,978)	(24,978)
Unrealised loss on investments	(54,376)	(54,376)
	<hr/>	<hr/>
At 31 December 2022	56,442	56,442
	<hr/> <hr/>	<hr/> <hr/>

#### 24 Contingent liabilities

Registration fees paid will be credited upon application by the breeder who paid the registration fee where registered animals have been slaughtered before they are 30 months old. All applications must be made within 4 months of the animal's slaughter. The Society estimates the contingent liability arising to be in the region of £10,000 per year.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### 25 Funds

	Balance at 1 January 2023 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2023 £
<b>Unrestricted funds</b>						
<i>General</i>						
Unrestricted funds	519,316	200,431	(232,593)	(731)	22,116	508,539
<i>Designated</i>						
National show	14,644	4,375	(5,331)	731	-	14,419
Genomic predictor	53,220	-	-	-	-	53,220
Breed promotion	1,869	-	-	-	-	1,869
	<u>69,733</u>	<u>4,375</u>	<u>(5,331)</u>	<u>731</u>	<u>-</u>	<u>69,508</u>
<b>Total unrestricted funds</b>	589,049	204,806	(237,924)	-	22,116	578,047
<b>Restricted funds</b>						
Directed donations	-	550	(550)	-	-	-
	<u>-</u>	<u>550</u>	<u>(550)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total funds</b>	<u><u>589,049</u></u>	<u><u>205,356</u></u>	<u><u>(238,474)</u></u>	<u><u>-</u></u>	<u><u>22,116</u></u>	<u><u>578,047</u></u>

**South Devon Herd Book Society**

**Notes to the Financial Statements for the Year Ended 31 December 2023**

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2022 £
<b>Unrestricted funds</b>						
<i>General</i>						
Unrestricted funds	578,597	225,319	(230,320)	96	(54,376)	519,316
<i>Designated</i>						
National show	11,927	6,545	(3,828)	-	-	14,644
Genomic predictor	53,220	-	-	-	-	53,220
Breed promotion	-	1,965	-	(96)	-	1,869
	<u>65,147</u>	<u>8,510</u>	<u>(3,828)</u>	<u>(96)</u>	<u>-</u>	<u>69,733</u>
<b>Total funds</b>	<u><u>643,744</u></u>	<u><u>233,829</u></u>	<u><u>(234,148)</u></u>	<u><u>-</u></u>	<u><u>(54,376)</u></u>	<u><u>589,049</u></u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

The specific purposes for which the funds are to be applied are as follows:

#### Designated Funds

##### National Show

Allocation of the Club fund net income (£731) plus sponsorship received this year towards the costs of the National Show.

##### DNA Research

Council agreed in September 2014 to set aside up to £60,000 from the Society's reserves towards this project and the costs have amounted to £6,780 to date.

##### Breed Promotion

Council agreed to set aside funds to be used for breed promotional purposes, such as show equipment for the display of graphic and videos.

##### Directed Donations

Gifts received where the donor has specified their wishes for the use of the funds. This year specific donations were £250 towards the National Show costs and £300 towards Herd Book production costs.

The transfer of £731 from unrestricted funds to the National Show designated fund represents the designation of the net Club income this year.

#### 26 Analysis of net assets between funds

	Unrestricted funds		Total funds at
	General	Designated	31 December
	£	£	2022
Tangible fixed assets	32,558	-	32,558
Fixed asset investments	485,224	-	485,224
Current assets	48,339	69,733	118,072
Current liabilities	(46,197)	-	(46,197)
Total net assets	<u>519,924</u>	<u>69,733</u>	<u>589,657</u>

#### 27 Related party transactions

During the year the charity made the following related party transactions:

##### H M Ashcroft (Trustee)

Purchases from the Society at arms-length value £703.50. Credits received relating to performance recording, animal registration credits or National Show exhibitor incentives totalling £190. At the balance sheet date the amount due to/from H M Ashcroft was £Nil (2022 - £Nil).

##### R W Bostelmann (Trustee)

Purchases from the Society at arms-length value £262. At the balance sheet date the amount due to R W Bostelmann was £66 (2022 - £Nil).

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### **S A Brooks**

(Trustee until 04/04/23)

Purchases from the Society at arms-length value £60. At the balance sheet date the amount due to/from S A Brooks was £Nil (2022 - £Nil).

#### **E J Bunkum**

(Trustee to 04/04/23)

Purchases from the Society at arms-length value £90. At the balance sheet date the amount due to/from from E J Bunkum was £Nil (2022 - £58).

#### **R C Burrough**

(Trustee)

Purchases from the Society at arms-length value £2,532. At the balance sheet date the amount due to/from R C Burrough was £Nil (2022 - £Nil).

#### **R W Camp**

(Trustee from 04/0/23)

Purchases from the Society at arms-length value £605. At the balance sheet date the amount due from R W Camp was £89 (2022 - £Nil).

#### **J C Coward**

(Trustee)

Purchases from the Society at arms-length value £1,081. Credits received relating to performance recording, animal registration credits or National Show exhibitor incentives totalling £150. At the balance sheet date the amount due to J C Coward was £108 (2022 - £Nil).

#### **R L Dennis**

(Trustee from 04/04/23)

Purchases from the Society at arms-length value £81.84. At the balance sheet date the amount due to/from R L Dennis was £Nil (2022 - £Nil).

#### **J Farnsworthy**

(Trustee)

Purchases from the Society at arms-length value £60. At the balance sheet date the amount due to/from from J Farnsworthy was £Nil (2022 - £144).

#### **J Fentem**

(Trustee)

Purchases from the Society at arms-length value £2,353. Credits received relating to performance recording, animal registration credits or National Show exhibitor incentives totalling £360. At the balance sheet date the amount due to J Fentem was £108 (2022 - £90 due from).

#### **C O F Grisedale**

(Trustee)

Purchases from the Society at arms-length value £1,336.38. At the balance sheet date the amount due to/from to C O F Grisedale was £Nil (2022 - £144).

#### **E G Hawkins**

(Trustee)

Purchases from the Society at arms-length value £927. Credits received relating to performance recording, animal registration credits or National Show exhibitor incentives totalling £60. At the balance sheet date the amount due from E G Hawkins was £155 (2022 - £836).

#### **D P Nixey**

(Trustee to 04/04/23)

Purchases from the Society at arms-length value £2,586. At the balance sheet date the amount due to/from D P Nixey was £Nil (2022 - £Nil).

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2023

#### **A L Pascoe**

(Trustee)

Purchases from the Society at arms-length value £388. At the balance sheet date the amount due to/from A L Pascoe was £Nil (2022 - £Nil).

#### **O W T Rounsevell**

(Trustee)

Purchases from the Society at arms-length value £778. At the balance sheet date the amount due to/from from O W T Rounsevell was £Nil (2022 - £236).

#### **P S Rowe**

(Trustee)

Purchases from the Society at arms-length value £3,704. At the balance sheet date the amount due from P S Rowe was £656 (2022 - £412).

#### **R Rowe**

(Trustee from 04/04/23)

Purchases from the Society at arms-length value £1,039.84 Credits received relating to performance recording, animal registration credits or National Show exhibitor incentives totalling £240. At the balance sheet date the amount due from R Rowe was £30 (2022 - £Nil).

#### **R A Rundell**

(Trustee from 04/04/23)

Purchases from the Society at arms-length value £1,312.42. Credits received relating to performance recording, animal registration credits or National Show exhibitor incentives totalling £120. At the balance sheet date the amount due from R A Rundell was £404 (2022 - £Nil).

#### **G Sell**

(Trustee)

Purchases from the Society at arms-length value £993. At the balance sheet date the amount due to/from from G Sell was £Nil (2022 - £786).

#### **J W Shinner**

(Trustee)

Purchases from the Society at arms-length value £1,871. Credits received relating to performance recording, animal registration credits or National Show exhibitor incentives totalling £450. At the balance sheet date the amount due from J W Shinner was £389 (2022 - £Nil).

#### **T R F Smyth**

(Trustee)

Purchases from the Society at arms-length value £2,787. At the balance sheet date the amount due from T R F Smyth was £491 (2022 - £Nil).

#### **J Tucker**

(Trustee to 04/04/23)

Purchases from the Society at arms-length value £60. At the balance sheet date the amount due to/from from J Tucker was £Nil (2022 - £97).

**SOUTH DEVON HERD BOOK SOCIETY**

England & Wales - Charity number 254166

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# Accounts

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Company registration number: 00035107

Charity registration number: 254166

# South Devon Herd Book Society

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2022

Wortham Jaques Ltd  
Chartered Accountants and Charity Advisers  
130a High Street  
Crediton  
Devon  
EX17 3 LQ

# South Devon Herd Book Society

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# South Devon Herd Book Society

## Trustees' Report

### CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES

for the year ended 31<sup>st</sup> December 2022

Where have three years gone? When I was initially approached by Council to be Chairman of the Society three years ago it seemed like a long time but then I looked at in breeding terms. A bull that I purchased in the spring of 2020 with much potential was put to the cows, and in early 2021 a young female calf was born, eager to see the world. It grew all through 2021 and 2022 and it's just calved as a 2-year-old, showing all its potential. Breeding of livestock is a long-term investment and three years is just one generation on a pedigree certificate.

This past year has seen a return of all the usual Society activities. The Spring Show and Sale in Exeter saw the highest average for nearly ten years. Our thanks must go to Mark Davis and the team at Kivells for facilitating the event once more in their usual professional manner. At the AGM on the preceding night, in her absence Margaret Plain was appointed as our Society President. My condolences go to her and all her family for the loss of her husband Keith, but I would like to thank her for supporting all the Society events with great enthusiasm throughout the year under such difficult circumstances.

It was great to have shows back to a more normal feel and the National Show that was held at the Devon County Show again saw a large number forward. Queen of the breed was named and how wonderful for the President to be able to award the overall champion to her daughter Alex with their home bred cow, Z Foxhole Clover.

Many regional farm walks took place over the year and our thanks must go to all those who took the time and effort to promote the breed in such a manner. There have been a number of dispersal sales of members herds this year, and a particular note must be given to the Lumbylaw herd where Exeter market saw tremendous trade, breaking previous records for a bull, cow and yearling heifer at a UK South Devon dispersal, with over 50 purchasers from all over the UK.

Another major milestone for the Society has been the launch of 'Single Step' evaluations in August which sees the culmination of many years of development and will now see, where there is a correlation, an increase in accuracy. The combination of this along with historical pedigrees and type classification now gives us a breeders even more tools in the box to be able to progress our herds in the direction that we see fit.

It was with great pleasure that members had the opportunity to view the winners of the National Herd Competition at Cutsey Farm, Taunton by the kind invitation of Edward and Sian Hawkins. Everyone who attended could only be impressed by the cattle and the impeccable grassland management, proving what can be achieved from grass leys with minimal artificial fertiliser, and this was most definitely in the minds of most of us this year due to the massive increase in farm input costs.

It was with great sadness that the year has again seen the passing of some of our members, but I feel that it is very important to mention two in particular:

Firstly, Mr Douglas Scott who shaped the Society holding many positions and who led by example with his famous Grove herd. My sincere condolences go to Mrs Scott and all her family. And secondly Mr Richard Harvey whose Sexton herd has been at the forefront of the breed for over 70 years with countless times spent for the benefit of the South Devon Herd Book Society. Once again, my sincere condolences go to all the family. They will both be greatly missed for their wealth and depth of knowledge of the breed.

The Autumn Show and Sale was again held at Worcester and thanks must go to Clive Rhodes and all at McCartney's. Trade was very slow and greater support is needed by all so that we can continue to market our pedigree stock at this time of the year in the heart of the country.

As you can see from the accounts presented to you, we have sustained a small loss in our trading position with our investment portfolio recovering after a mid-year fall. Cumulative trading losses cannot continue indefinitely and need to be addressed sooner rather than later to put the Society in a stronger position over the coming years. In December a review group was set up to consider all aspects and workings of the Society. Together with comments and suggestions received by you – the members – a report of the present position and future direction of the Society was presented to the Council at the February meeting with recommendations for their consideration. Council must now take this opportunity to implement what they see fit for the benefit of you, the members, and the South Devon Herd Book Society's future. This will not be an easy task but one that is of the utmost importance.

# South Devon Herd Book Society

## Trustees' Report

Finally, as my tenure as Chairman comes to an end, I would like to thank all those who have given their time to the Society, our Breed Secretary Caroline and Registrations Manager Liz in the office, our President Margaret Plain and everyone else who has served on various committees throughout the year. May I wish Edward every success in steering the South Devon Herd Book Society to a sustainable future in the 21<sup>st</sup> century and beyond.

### Philip Laity, Society Chairman

#### Council attendance

Mrs E Bunkum	4	Mr A L Pascoe	4	Mr O Rounsevell	2
Mr P S Rowe	4	Miss H Ashcroft	4	Mrs A Brooks	4
Mr R C Burrough	4	Mr J Shinner	4	Mr J Tucker	3
Mr J C Coward	4	Mr E G Hawkins	4	Mr D Nixey	2
Ms J Farnsworth	1	Mrs G Sell	3	Mr R W Bostelmann	3
Mr C Griesdale	2	Mr J Fentem	3	Mr T R F Smyth	1

# South Devon Herd Book Society

## Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2022.

### LEGAL AND ADMINISTRATIVE DETAILS

#### Status

The charity is a company limited by guarantee (number 35107) and was incorporated on 2<sup>nd</sup> November 1891. It was registered with the Charity Commission (number 24166) on 6<sup>th</sup> November 1967. The company was established under a Memorandum of Association which describes the objects and powers of the charitable company, and it is governed under its Articles of Association.

#### Registered Office

Westpoint  
Clyst St Mary  
Exeter  
Devon  
EX5 1DJ

#### Bankers

Lloyds Bank plc  
41 Courtenay Street  
Newton Abbot  
Devon  
TQ12 2QW

#### Investment Adviser

Brewin Dolphin Ltd  
Vantage Point  
Woodwater Park  
Pynes Hill, Exeter  
Devon, EX2 5FD

#### Solicitor

Michelmores LLP  
Woodwater House  
Pynes Hill  
Exeter  
Devon, EX2 5WR

#### Independent Examiner

Wortham Jaques Ltd  
130 High Street  
Crediton  
Devon  
EX17 3LQ

#### Trustees of the Society

The trustees of the charity are the members of its Council who are elected by the Society's members and who serve for a three-year period after which they must stand down for one year before being eligible for re-election. The trustees for the year end up to the date this report was signed were:

#### Region 1

E Bunkum  
A L Pascoe  
O Rounsevell  
P S Rowe

#### Region 2

H Ashcroft  
A Brooks  
R C Burrough  
J Shinner  
J Tucker

#### Region 3

E G Hawkins  
J C Coward

#### Region 4

D Nixey

#### Region 5

J Farnsworth  
G Sell

#### Region 6

R W Bostelmann  
C Grisedale

#### Region 7

J Fentem  
T R F Smyth

T Bastard, J Andrew, J W J Virgin, J White, R E Hadley and A T Threlkeld retired at the AGM in 2022; and they were replaced by O Rounsevell, R C Burrough, J C Coward, R W Bostelmann and T R F Smyth.

E Bunkum, A L Pascoe, A Brooks, J Tucker, E G Hawkins and D Nixey will retire at the AGM in 2023 and are not eligible for re-election.

#### Recruitment of trustees

The trustees are nominated and elected by secret ballot by the members of the Society in their regions as and when vacancies arise.

#### Induction and training of trustees

The trustees are encouraged to access information from the Charities Commission website as to their roles and responsibilities, and a Charities Commission introductory publication is made available to them at the start of their term as trustee. There is no formal training but existing trustees assist new trustees with procedural practice, and help and advice is available from the Breed Secretary.

#### Officers of the Society

Chairman: P Laity  
Deputy Chairman: E G Hawkins  
Secretary: Mrs C A Poultney

# South Devon Herd Book Society

## Trustees' Report

An Executive Committee appointed by Council formulates and carries out policy as directed by Council. Members of the Committee attend Council meetings but have no voting rights unless also Council members. The following were members of the Executive Committee during the year:

P Laity (Chairman)	C J Edwards	R E Hadley	R V Hartshorn
E G Hawkins	N Hood	M R Rowe	

Subsidiary committees – Breed Improvement and Breed Promotion – met during the year to formulate and carry out policy as directed by Council. Their members were appointed by Council. In addition, Judges Advisers met once with the Executive Committee.

### Staff of the Society

The Breed Secretary, Mrs Caroline Poultney, has day to day responsibility for the running of the business. This includes promoting the breed nationally and overseas, organising events, sourcing advice for members and non-members, producing the Society's information publications and breed journal, and overseeing production of the Herd Book. She also advises the Council on policy matters and decisions. Mrs E Noble administers animal registrations and pedigree transfers, DNA records, member and animal records, and assists with office administration. A part-time bookkeeper maintains the Society's accounting records.

### Objectives

The Society exists to maintain the purity and improve the breeding of South Devon cattle in the United Kingdom of Great Britain and Northern Ireland or elsewhere throughout the world. This is carried out by:

- Producing and maintaining the South Devon Herd Book records
- Encouraging pedigree registrations, performance recording and DNA testing
- Advising members and the public through the media, and periodic publications
- Holding pedigree sales
- Promoting the breed at regional and national agricultural shows
- Recruiting new members
- Initiating research projects associated with breed development as appropriate

### Public benefit

The trustees have complied with the duty in section 17 (5) of the 2011 Charities Act to have due regard to the guidance published by the Charity Commission.

The Society seeks to inform the public and its members of the benefits of breeding South Devon cattle including its suitability for environmental schemes and low carbon mixed farming practices. It carries this out through its publications, website, social media platform, staging of publicity and information events, and participation at public industry events such as agricultural shows, exhibitions and open days. It sponsors youth activities and holds competitions specifically for younger members.

Through its work the Society promotes the South Devon breed as a grazing beef breed native to the UK, whose management helps to safeguard the environment in a high welfare, environmentally sustainable, low carbon emitting way by converting pasture to a high quality, healthy, consumable product.

Through its work the Society promotes the South Devon breed as a grazing beef breed native to the UK, which helps to safeguard the environment in a high welfare, environmentally sustainable, low carbon emitting way by converting pasture to a high quality, healthy, consumable product.

The Society encourages its members to implement high biosecurity and welfare standards, and to protect their herds from a range of endemic cattle diseases by way of knowledge transfer and a financial incentive.

# South Devon Herd Book Society

## Trustees' Report

### Review of activities

2022 saw a partial return to regular agricultural and breed events which have been severely affected by the Covid pandemic. A return to in-person engagement with members of the public, members of the Society and enquirers was re-established as the most successful means of carrying out the Society's main activities.

External global events, particularly Russia's invasion of Ukraine, had significant repercussions on the costs of energy and fertiliser, challenging the farming sector as well as the worldwide industrial and economic base to put in place alternative practices. This in addition to the increasing impacts of climate change, issues of carbon emissions, continuing changes to the agricultural financial support system, plus Brexit implications made for considerable uncertainty in future farming practices.

By contrast the beef market was firm throughout the year, encouraging the culling of older stock and an overall reduction in suckler cow numbers. Fewer younger females were put forward for pedigree registration; whilst measures put in place by the Trustees to authenticate the pedigrees of older females at time of registration resulted in an initial increase in pedigree numbers which will not be a sustainable trend.

By comparison with the previous year male registrations were a few less at 224, but female registrations rose by 367. Pedigree transfers saw an increase in the previous period of 6 males, and an increase of 128 for females largely due to three dispersal sales in the summer.

In addition to pedigree registrations members are offered a range of services including free weight recording, DNA testing, and a regular information service. Society regions arrange local events for members and guests, such as farm walks.

The two premier Society Sales were held in the spring and autumn but support was weaker than pre-pandemic levels. The Midland Club sale was cancelled due to lack of numbers, but the South Devon Cattle Breeders Club May sale was a t

Genomic evaluations were published for the first time in August 2022, when the genomic predictor work reached its conclusion having required a much lower deployment of Society resources than had been allocated in 2014. This addition of valuable genetic information transitioned smoothly, with the final stage of adding newly aligned indexes ready to be applied in the early months of 2023. The South Devon breed was the first to claim this new technology, with other breeds following behind.

The Society invested in breed stands at the Royal Cornwall, Devon County (National Show) and Royal Welsh Shows, Beef Expo Darlington (Performance Championships); Agri-Expo Carlisle; Agri-Fest Exeter; and English Winter Fair (National Calf Show).

The Society's publications during the year included: the breed Journal; sale catalogues; semen lists; monthly BLUP evaluations; and regular newsletters. In addition the Society's social media pages were regularly populated with news by two members acting on a voluntary basis.

A South Devon bull was selected by the breed improvement committee to be collected primarily for sale to dairy herds, and a second bull was acquired by Genus for sexed semen collection.

The Society increased its financial incentives: to offer a free weight recording service to all members; to encourage a higher level of registrations at birth by offering credits against registration fees for non-breeding animals; to encourage membership of herd health schemes; and to subsidise the myostatin testing of registered bulls.

### Financial review

The gross incoming resources for the year amounted to £233,829 (£199,012 in 2021). Total expenditure was £234,148 (£214,096 in 2021).

The results from the year from normal activities show a deficit of £319 compared to a deficit of £15,084 in the previous 12 months. There were net realised losses from investments of £54,376 (gains of £69,939 in 2021), resulting in a total net movement in funds of (£54,695). The total investment portfolio value at the end of the year stood at £485,224 (£544,731 in 2021). Total charity funds at the end of the year stood at £589,050 (£643,744 at the end of 2021).

# South Devon Herd Book Society

## Trustees' Report

### Statistical information/comment

<u>Membership</u>	<u>2022</u>	<u>2021</u>
Full	510	516
Associate & Retired	50	58
Life	35	35
Youth	2	2
Introductory	<u>26</u>	<u>14</u>
	<u>623</u>	<u>625</u>

<u>Registrations</u>	<u>2022</u>	<u>2021</u>	<u>Transfers</u>	<u>2022</u>	<u>2021</u>
Male	224	231	Male	104	110
Female	<u>2978</u>	<u>2611</u>	Female	376	<u>248</u>
	<u>3202</u>	<u>2842</u>		<u>480</u>	<u>358</u>

### Investment Policy and Preference

The Society's investment objective is to maintain and enhance the value of the fixed assets over the long term to maintain and, if possible, to increase the income available for the purpose of the charity.

To achieve this objective the policy of the Society is to invest in a broad range of equities and fixed interest investments. The investments are regularly reviewed with the assistance of independent expertise and their performance compared with the appropriate indices.

### Future Plans

A Business Plan is revised annually, which outlines the Society's objectives: to maintain the purity, improve the breeding, and promote the keeping of South Devon cattle in the United Kingdom or elsewhere in the world. Plans include the continued raising of the integrity of pedigree data; facilitating the availability of pedigree and other related information to members and non-members; encouraging the use of technical aids such as DNA testing and female type classification; promoting the breed to commercial beef producers; encouraging best practice in herd health; and the application of genomic EBVs for breed improvement and breeding selection.

### Risk Assessment

The Society's Risk Assessment has been reviewed in 2022, and a Register of Risks is maintained. Measures to reduce the exposure to risk are regularly reviewed. The Society has in place measures to acquire member permission for publication of their contact details on the website and in paper publications to protect personal data.

### Reserves Policy

Unrestricted reserves at the end of the year totalled £589,050, of which £63,733 has been designated by the Trustees for particular purposes (as shown in the notes to the full accounts). This left general reserves of £525,317. The Trustees aim to maintain these reserves at a level sufficient to cover business running costs for a period of 12 months, taking into account the particular volatility of the agricultural industry. In addition, the policy is to keep surplus funds available for allocation to specific breed improvement and/or breed promotion activities as and when decided by the Trustees.

# South Devon Herd Book Society

## Trustees' Report

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of South Devon Herd Book Society for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations. The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 3 April 2023 and signed on its behalf by:

.....  
E G Hawkins  
Trustee

## South Devon Herd Book Society

### Independent Examiner's Report to the trustees of South Devon Herd Book Society ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2022.

#### Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of South Devon Herd Book Society as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....  
Charlotte Chapman Gibbs BFP ACA  
Wortham Jaques Ltd  
Chartered Accountants and Charity Advisers

130a High Street  
Crediton  
Devon  
EX17 3 LQ

6 April 2023

## South Devon Herd Book Society

### Statement of Financial Activities for the Year Ended 31 December 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2022 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	32,143	32,143
Charitable activities	4	166,003	166,003
Other trading activities	5	23,842	23,842
Investment income	6	11,841	11,841
Total income		233,829	233,829
<b>Expenditure on:</b>			
Raising funds	7	(9,392)	(9,392)
Charitable activities	8	(224,756)	(224,756)
Total expenditure		(234,148)	(234,148)
Gains/losses on investment assets		(54,376)	(54,376)
Net expenditure		(54,695)	(54,695)
Net movement in funds		(54,695)	(54,695)
<b>Reconciliation of funds</b>			
Total funds brought forward		643,744	643,744
Total funds carried forward	25	589,049	589,049

The notes on pages 13 to 37 form an integral part of these financial statements.

## South Devon Herd Book Society

### Statement of Financial Activities for the Year Ended 31 December 2022 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2021 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	33,073	33,073
Charitable activities	4	140,673	140,673
Other trading activities	5	14,017	14,017
Investment income	6	11,249	11,249
Total income		199,012	199,012
<b>Expenditure on:</b>			
Raising funds	7	(9,454)	(9,454)
Charitable activities	8	(204,642)	(204,642)
Total expenditure		(214,096)	(214,096)
Gains/losses on investment assets		69,939	69,939
Net income		54,855	54,855
Net movement in funds		54,855	54,855
<b>Reconciliation of funds</b>			
Total funds brought forward		588,889	588,889
Total funds carried forward	25	643,744	643,744

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for 2021 is shown in note 25.

The notes on pages 13 to 37 form an integral part of these financial statements.

**South Devon Herd Book Society**  
**(Registration number: 00035107)**  
**Balance Sheet as at 31 December 2022**

	Note	2022 £	2021 £
<b>Fixed assets</b>			
Tangible assets	15	32,558	31,194
Investments	16	485,224	544,731
		517,782	575,925
<b>Current assets</b>			
Stocks	17	1,531	2,293
Debtors	18	65,024	47,943
Cash at bank and in hand	19	50,864	64,213
		117,419	114,449
<b>Creditors: Amounts falling due within one year</b>	20	(46,152)	(46,630)
<b>Net current assets</b>		71,267	67,819
<b>Net assets</b>		589,049	643,744
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		532,607	507,948
Revaluation reserve		56,442	135,796
Total unrestricted funds		589,049	643,744
<b>Total funds</b>	25	589,049	643,744

For the financial year ending 31 December 2022 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The notes on pages 13 to 37 form an integral part of these financial statements.

**South Devon Herd Book Society**  
**(Registration number: 00035107)**  
**Balance Sheet as at 31 December 2022**

The financial statements on pages 9 to 37 were approved by the trustees, and authorised for issue on 3 April 2023 and signed on their behalf by:

.....  
E G Hawkins  
Trustee

The notes on pages 13 to 37 form an integral part of these financial statements.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Westpoint  
Clyst St Mary  
Exeter  
Devon  
EX5 1DJ

These financial statements were authorised for issue by the trustees on 3 April 2023.

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

##### Basis of preparation

South Devon Herd Book Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### Income and endowments

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

##### Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### *Deferred income*

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

#### *Donated services and facilities*

Where services or facilities are provided to the Charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at the cost to the donor or the resale value of goods that are to be sold.

#### *Investment income*

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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### *Raising funds*

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### *Charitable activities*

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees meetings and reimbursed expenses.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### Tangible fixed assets

Individual fixed assets costing £100.00 or more (other than trophies) are initially recorded at cost. Trophies are recorded as a donation at valuation and are capitalised in the year of donation.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Show equipment and trophies	10% reducing balance
Office equipment	20% reducing balance
Computer equipment	20% reducing balance

#### Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO) method.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **Financial instruments**

##### *Classification*

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

##### *Recognition and measurement*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### *Debt instruments*

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- (a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- (b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- (c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- (d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- (e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- (f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

#### *Investments*

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### *Derivative financial instruments*

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

#### *Fair value measurement*

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

### 3 Income from donations and legacies

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Donations and legacies;		
Donations from individuals	768	768
Regular giving and capital donations	31,375	31,375
<b>Total for 2022</b>	<u>32,143</u>	<u>32,143</u>
<b>Total for 2021</b>	<u>33,073</u>	<u>33,073</u>

### 4 Income from charitable activities

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Members' services	163,995	163,995
Breed development	2,008	2,008
<b>Total for 2022</b>	<u>166,003</u>	<u>166,003</u>
<b>Total for 2021</b>	<u>140,673</u>	<u>140,673</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 5 Income from other trading activities

	<b>Unrestricted funds Designated £</b>	<b>General £</b>	<b>Total funds £</b>
Trading income;			
Sales of goods and services	-	1,234	1,234
Other trading income	-	14,098	14,098
Auction of promises	3,645	-	3,645
Sponsorship income	2,900	-	2,900
Lotteries and competitions income	1,965	-	1,965
<b>Total for 2022</b>	<b>8,510</b>	<b>15,332</b>	<b>23,842</b>
<b>Total for 2021</b>	<b>975</b>	<b>13,042</b>	<b>14,017</b>

#### 6 Investment income

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Income from dividends;		
Dividends receivable from other listed investments	11,547	11,547
Interest receivable and similar income;		
Interest receivable on bank deposits	44	44
Interest receivable on other loans	250	250
<b>Total for 2022</b>	<b>11,841</b>	<b>11,841</b>
<b>Total for 2021</b>	<b>11,249</b>	<b>11,249</b>

#### 7 Expenditure on raising funds

##### a) Costs of generating donations and legacies

	<b>Note</b>	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Staff Costs		976	976
Allocated support costs	9	369	369
<b>Total for 2022</b>		<b>1,345</b>	<b>1,345</b>
<b>Total for 2021</b>		<b>1,334</b>	<b>1,334</b>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### b) Costs of trading activities

	Note	Unrestricted funds General £	Total funds £
Costs of goods sold		1,171	1,171
Lotteries and competitions		813	813
Staff Costs		1,444	1,444
Allocated support costs	9	695	695
<b>Total for 2022</b>		<u>4,123</u>	<u>4,123</u>
<b>Total for 2021</b>		<u>3,987</u>	<u>3,987</u>

#### c) Investment management costs

	Note	Unrestricted funds General £	Total funds £
Other investment management costs; Amounts payable to investment managers		3,924	3,924
<b>Total for 2022</b>		<u>3,924</u>	<u>3,924</u>
<b>Total for 2021</b>		<u>4,133</u>	<u>4,133</u>

#### 8 Expenditure on charitable activities

	Note	Unrestricted funds Designated £	General £	Total funds £
Members' services		765	48,956	49,721
Breed development		-	13,081	13,081
Breed promotion		3,063	20,871	23,934
Staff costs		-	88,138	88,138
Allocated support costs	9	-	35,451	35,451
Governance costs	9	-	14,431	14,431
<b>Total for 2022</b>		<u>3,828</u>	<u>220,928</u>	<u>224,756</u>
<b>Total for 2021</b>		<u>-</u>	<u>204,642</u>	<u>204,642</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

	Activity undertaken directly £	Activity support costs £	Total expenditure £
Members' services	49,722	96,376	146,098
Breed development	13,081	11,661	24,742
Breed promotion	23,934	15,551	39,485
<b>Total for 2022</b>	<u>86,737</u>	<u>123,588</u>	<u>210,325</u>
<b>Total for 2021</b>	<u>71,487</u>	<u>121,558</u>	<u>193,045</u>

In addition to the expenditure analysed above, there are also governance costs of £14,431 (2021 - £11,596) which relate directly to charitable activities. See note 9 for further details.

#### 9 Analysis of governance and support costs

##### Charitable activities expenditure

Basis of allocation	Unrestricted funds		Total funds £
	Designated £	General £	
Prizes	-	2,284	2,284
Travelling	-	4,863	4,863
Sponsorship	-	584	584
Breed research	-	231	231
Promotion and publicity	-	3,535	3,535
Breedplan costs	-	23,758	23,758
Shows, sales and competitions	3,828	17,108	20,936
Semen storage and distribution	-	2,238	2,238
DNA test costs	-	17,615	17,615
Journal production	-	10,693	10,693
<b>Total for 2022</b>	<u>3,828</u>	<u>82,909</u>	<u>86,737</u>
<b>Total for 2021</b>	<u>-</u>	<u>71,487</u>	<u>71,487</u>

**South Devon Herd Book Society**

**Notes to the Financial Statements for the Year Ended 31 December 2022**

**Support costs allocated to raising funds**

	<b>Basis of allocation</b>	<b>Information technology £</b>	<b>Staff costs £</b>	<b>Administration costs £</b>	<b>Premises costs including depreciation £</b>	<b>Total 2022 £</b>
Costs of generating donations and legacies	A	16	975	217	136	1,344
Costs of trading activities	A	33	1,445	427	236	2,141
		<u>49</u>	<u>2,420</u>	<u>644</u>	<u>372</u>	<u>3,485</u>
	<b>Basis of allocation</b>	<b>Staff costs £</b>	<b>Administration costs £</b>	<b>Premises costs including depreciation £</b>	<b>Total 2021 £</b>	
Costs of generating donations and legacies	A	978	222	134	1,334	
Costs of trading activities	A	1,461	444	238	2,143	
		<u>2,439</u>	<u>666</u>	<u>372</u>	<u>3,477</u>	

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### Support costs allocated to charitable activities

	<b>Basis of allocation</b>	<b>Information technology £</b>	<b>Staff costs £</b>	<b>Administration costs £</b>	<b>Premises costs including depreciation £</b>	<b>Total 2022 £</b>
Members' services	A	533	65,223	19,831	10,790	96,377
Breed development	A	66	9,960	1,140	495	11,661
Breed promotion	A	741	12,955	1,245	610	15,551
Governance	A	49	6,965	2,414	381	9,809
		1,389	95,103	24,630	12,276	133,398
		1,389	95,103	24,630	12,276	133,398
	<b>Basis of allocation</b>	<b>Information technology £</b>	<b>Staff costs £</b>	<b>Administration costs £</b>	<b>Premises costs including depreciation £</b>	<b>Total 2021 £</b>
Members' services	A	855	65,868	17,504	10,601	94,828
Breed development	A	76	9,856	956	496	11,384
Breed promotion	A	855	12,816	1,057	620	15,348
Governance	A	57	-	994	372	1,423
		1,843	88,540	20,511	12,089	122,983
		1,843	88,540	20,511	12,089	122,983

#### Basis of allocation

##### Reference

##### Method of allocation

A

The amounts allocated to each activity are determined by the demand each activity has for each support resource.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### Governance costs

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Staff costs		
Wages and salaries	6,477	6,477
Social security costs	310	310
Pension costs	160	160
Other staff costs	18	18
Independent examiner fees		
Examination of the financial statements	1,875	1,875
Legal fees	1,375	1,375
Other governance costs	1,372	1,372
Allocated support costs	2,844	2,844
<b>Total for 2022</b>	<b>14,431</b>	<b>14,431</b>
<b>Total for 2021</b>	<b>11,596</b>	<b>11,596</b>

#### 10 Net incoming/outgoing resources

Net outgoing resources for the year include:

	<b>2022 £</b>	<b>2021 £</b>
Other non-audit services	1,875	1,850
Depreciation of fixed assets	1,203	1,053

#### 11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 12 Staff costs

The aggregate payroll costs were as follows:

	<b>2022 £</b>	<b>2021 £</b>
<b>Staff costs during the year were:</b>		
Wages and salaries	90,565	90,221
Social security costs	4,267	4,836
Pension costs	2,062	2,100
Other staff costs	629	722
	<b>97,523</b>	<b>97,879</b>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	<b>2022</b>	<b>2021</b>
	<b>No</b>	<b>No</b>
Charitable activities	<u>3</u>	<u>3</u>

3 (2021 - 3) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £2,061 (2021 - £2,100).

No employee received emoluments of more than £60,000 during the year.

#### **13 Independent examiner's remuneration**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Examination of the financial statements	<u>1,875</u>	<u>1,850</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 15 Tangible fixed assets

	Furniture and equipment £	Computer equipment £	Trophies and show equipment £	Total £
<b>Cost</b>				
At 1 January 2022	13,909	22,177	33,208	69,294
Additions	646	-	1,921	2,567
At 31 December 2022	14,555	22,177	35,129	71,861
<b>Depreciation</b>				
At 1 January 2022	13,786	19,683	4,631	38,100
Charge for the year	153	499	551	1,203
At 31 December 2022	13,939	20,182	5,182	39,303
<b>Net book value</b>				
At 31 December 2022	616	1,995	29,947	32,558
At 31 December 2021	123	2,494	28,577	31,194

#### 16 Fixed asset investments

	2022 £	2021 £
Other investments	485,224	544,731

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### Other investments

	Listed investments £	Unlisted investments £	Total £
<b>Cost or Valuation</b>			
At 1 January 2022	509,288	35,443	544,731
Revaluation	(54,376)	-	(54,376)
Additions	103,087	107,443	210,530
Disposals	<u>(95,897)</u>	<u>(119,764)</u>	<u>(215,661)</u>
At 31 December 2022	<u>462,102</u>	<u>23,122</u>	<u>485,224</u>
<b>Net book value</b>			
At 31 December 2022	<u>462,102</u>	<u>23,122</u>	<u>485,224</u>
At 31 December 2021	<u>509,288</u>	<u>35,443</u>	<u>544,731</u>

The market value of the listed investments at 31 December 2022 was £462,102 (2021 - £509,288).

#### 17 Stock

	2022 £	2021 £
Stocks	<u>1,531</u>	<u>2,293</u>

#### 18 Debtors

	2022 £	2021 £
Trade debtors	57,121	40,461
Prepayments	4,538	4,115
Other debtors	<u>3,365</u>	<u>3,367</u>
	<u>65,024</u>	<u>47,943</u>

Debtors includes £2,997 (2021: £2,997) receivable after more than one year.

	2022 £	2021 £
Other debtors	<u>2,997</u>	<u>2,997</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 19 Cash and cash equivalents

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Cash on hand	322	518
Cash at bank	50,542	63,695
	50,864	64,213

#### 20 Creditors: amounts falling due within one year

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Trade creditors	31,898	26,766
Other taxation and social security	5,517	6,603
Other creditors	4,365	6,238
Accruals	3,522	3,763
Deferred income	850	3,260
	46,152	46,630
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Deferred income at 1 January 2022	3,260	3,570
Amounts released from previous periods	(2,410)	(310)
Deferred income at year end	850	3,260

Deferred income related to life membership subscriptions released over 10 years with a total unexpired value of £850 (2021: £1,160). In 2021 £2,100 of income relating to the National Show which was postponed until 2022 was also deferred.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 21 Obligations under leases and hire purchase contracts

##### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2022 £	2021 £
<b>Land and buildings</b>		
Within one year	<u>6,758</u>	<u>10,600</u>
<b>Other</b>		
Between one and five years	<u>167,446</u>	<u>23,281</u>

#### 22 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £2,061 (2021 - £2,100).

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 23 Reserves

	<b>Unrestricted revaluation reserve £</b>	<b>Total £</b>
At 1 January 2022	135,796	135,796
Transfer of surplus funds	(24,978)	(24,978)
Unrealised loss on investments	(54,376)	(54,376)
	<u>56,442</u>	<u>56,442</u>
At 31 December 2022	<u>56,442</u>	<u>56,442</u>
	<b>Unrestricted revaluation reserve £</b>	<b>Total £</b>
At 1 January 2021	96,399	96,399
Transfer of surplus funds	(30,542)	(30,542)
Unrealised gain on investments	69,939	69,939
	<u>135,796</u>	<u>135,796</u>
At 31 December 2021	<u>135,796</u>	<u>135,796</u>

#### 24 Contingent liabilities

Registration fees paid will be credited upon application by the breeder who paid the registration fee where registered animals have been slaughtered before they are 30 months old. All applications must be made within 4 months of the animal's slaughter. The Society estimates the contingent liability arising to be in the region of £10,000 per year.

**South Devon Herd Book Society**

**Notes to the Financial Statements for the Year Ended 31 December 2022**

**25 Funds**

	<b>Balance at 1 January 2022 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Transfers £</b>	<b>Other recognised gains/(losses) £</b>	<b>Balance at 31 December 2022 £</b>
<b>Unrestricted funds</b>						
<i>General</i>						
Unrestricted funds	578,597	225,319	(230,320)	96	(54,376)	519,316
<i>Designated</i>						
National show	11,927	6,545	(3,828)	-	-	14,644
Genomic predictor	53,220	-	-	-	-	53,220
Breed promotion	-	1,965	-	(96)	-	1,869
	<u>65,147</u>	<u>8,510</u>	<u>(3,828)</u>	<u>(96)</u>	<u>-</u>	<u>69,733</u>
<b>Total funds</b>	<u><u>643,744</u></u>	<u><u>233,829</u></u>	<u><u>(234,148)</u></u>	<u><u>-</u></u>	<u><u>(54,376)</u></u>	<u><u>589,049</u></u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

	Balance at 1 January 2021 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2021 £
<b>Unrestricted funds</b>					
<i>General</i>					
Unrestricted funds	524,717	198,037	(214,096)	69,939	578,597
<i>Designated</i>					
National show	10,952	975	-	-	11,927
Genomic predictor	53,220	-	-	-	53,220
	<u>64,172</u>	<u>975</u>	<u>-</u>	<u>-</u>	<u>65,147</u>
<b>Total funds</b>	<u><u>588,889</u></u>	<u><u>199,012</u></u>	<u><u>(214,096)</u></u>	<u><u>69,939</u></u>	<u><u>643,744</u></u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

The specific purposes for which the funds are to be applied are as follows:

#### Designated Funds

##### National Show

Allocation of the proceeds from the Auction of Promises (£3,645) plus sponsorship received this year towards the costs of the National Show.

##### DNA Research

Council agreed in September 2014 to set aside up to £60,000 from the Society's reserves towards this project and the costs have amounted to £900 to date.

##### Breed Promotion

Council agreed that the Club fund net income should be used for breed promotional purposes, such as show equipment for the display of graphic and videos.

The transfer of £96 from the Breed Promotion designated fund into unrestricted fund represents the purchase of capital expenditure from those designated funds.

#### 26 Analysis of net assets between funds

	Unrestricted funds		Total funds at
	General	Designated	31 December
	£	£	2022
			£
Tangible fixed assets	32,558	-	32,558
Fixed asset investments	485,224	-	485,224
Current assets	48,339	69,733	118,072
Current liabilities	(46,197)	-	(46,197)
<b>Total net assets</b>	<b>519,924</b>	<b>69,733</b>	<b>589,657</b>
	Unrestricted funds		Total funds at
	General	Designated	31 December
	£	£	2021
			£
Tangible fixed assets	31,194	-	31,194
Fixed asset investments	544,731	-	544,731
Current assets	49,302	65,147	114,449
Current liabilities	(46,630)	-	(46,630)
<b>Total net assets</b>	<b>578,597</b>	<b>65,147</b>	<b>643,744</b>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### 27 Analysis of net funds

	At 1 January 2022 £	Financing cash flows £	At 31 December 2022 £
Cash at bank and in hand	64,213	(13,349)	50,864
Net debt	64,213	(13,349)	50,864
	At 1 January 2021 £	Financing cash flows £	At 31 December 2021 £
Cash at bank and in hand	65,354	(1,141)	64,213
Net debt	65,354	(1,141)	64,213

#### 28 Related party transactions

During the year the charity made the following related party transactions:

##### **J Andrew**

(Trustee until 5 April 2022)

Purchases from the Society at arms-length value £72. At the balance sheet date the amount due to/from J Andrew was £Nil (2021 - £Nil).

##### **H M Ashcroft**

(Trustee)

Purchases from the Society at arms-length value £374.40.. At the balance sheet date the amount due to/from from H M Ashcroft was £Nil (2021 - £2,889).

##### **T J Bastard**

(Trustee until 5 April 2022)

Purchases from the Society at arms-length value £72. At the balance sheet date the amount due to/from T J Bastard was £Nil (2021 - £Nil).

##### **R W Bostelmann**

(Trustee from 5 April 2022)

Purchases from the Society at arms-length value £814. At the balance sheet date the amount due to/from R W Bostelmann was £Nil (2021 - £Nil).

##### **S A Brooks**

(Trustee)

Purchases from the Society at arms-length value £623.27.. At the balance sheet date the amount due to/from from S A Brooks was £Nil (2021 - £57).

##### **E J Bunkum**

(Trustee)

Purchases from the Society at arms-length value £1,1212.30. At the balance sheet date the amount due from E J Bunkum was £58 (2021 - £52).

##### **R C Burrough**

(Trustee from 5 April 2022)

Purchases from the Society at arms-length value £6,875. At the balance sheet date the amount due to/from R C Burrough was £Nil (2021 - £Nil).

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### **J C Coward**

(Trustee from 5 April 2022)

Purchases from the Society at arms-length value £606. At the balance sheet date the amount due to/from J C Coward was £Nil (2021 - £Nil).

#### **C O F Grisedale**

(Trustee)

Purchases from the Society at arms-length value £1,567.20. At the balance sheet date the amount due to C O F Grisedale was £144 (2021 - £Nil).

#### **R E Hadley**

(Trustee until 5 April 2022.)

Purchases from the Society at arms-length value £72. At the balance sheet date the amount due to/from R E Hadley was £Nil (2021 - £Nil).

#### **J Farnsworthy**

(Trustee)

Purchases from the Society at arms-length value £72. At the balance sheet date the amount due from J Farnsworthy was £144 (2021 - £Nil).

#### **J Fentem**

(Trustee)

Purchases from the Society at arms-length value £3,379.60. At the balance sheet date the amount due from J Fentem was £90 (2021 - £95 due to).

#### **E G Hawkins**

(Trustee)

Purchases from the Society at arms-length value £1,112.50. At the balance sheet date the amount due from E G Hawkins was £836 (2021 - £131).

#### **D P Nixey**

(Trustee)

Purchases from the Society at arms-length value £764. At the balance sheet date the amount due to/from D P Nixey was £Nil (2021 - £Nil).

#### **A L Pascoe**

(Trustee)

Purchases from the Society at arms-length value £938.40. At the balance sheet date the amount due to/from A L Pascoe was £Nil (2021 - £Nil).

#### **O W T Rounsevell**

(Trustee from 5 April 2022)

Purchases from the Society at arms-length value £2,685.60. At the balance sheet date the amount due from O W T Rounsevell was £236 (2021 - £Nil).

#### **P S Rowe**

(Trustee)

Purchases from the Society at arms-length value £3,902.91. At the balance sheet date the amount due from P S Rowe was £412 (2021 - £1,999).

#### **G Sell**

(Trustee)

Purchases from the Society at arms-length value £786. At the balance sheet date the amount due from G Sell was £786 (2021 - £Nil).

#### **J W Shinner**

(Trustee)

Purchases from the Society at arms-length value £1,849.80. At the balance sheet date the amount due to/from J W Shinner was £Nil (2021 - £358).

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2022

#### **T R F Smyth**

(Trustee from 5 April 2022)

Purchases from the Society at arms-length value £690. At the balance sheet date the amount due to/from T R F Smyth was £Nil (2021 - £Nil).

#### **A T Threlkeld**

(Trustee until 5 April 2022)

Purchases from the Society at arms-length value £72. At the balance sheet date the amount due to/from from A T Threlkeld was £Nil (2021 - £309).

#### **J Tucker**

(Trustee)

Purchases from the Society at arms-length value £478.50. At the balance sheet date the amount due from J Tucker was £97 (2021 - £Nil).

#### **J W J Virgin**

(Trustee until 5 April 2022)

Purchases from the Society at arms-length value £72. At the balance sheet date the amount due to/from J W J Virgin was £Nil (2021 - £Nil).

#### **J M White**

(Trustee until 5 April 2022)

Purchases from the Society at arms-length value £72. At the balance sheet date the amount due to/from from J M White was £Nil (2021 - £2,889).

**SOUTH DEVON HERD BOOK SOCIETY**

England & Wales - Charity number 254166

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# Accounts

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Company registration number: 00035107

Charity registration number: 254166

# South Devon Herd Book Society

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2021

Wortham Jaques Ltd  
Chartered Accountants and Charity Advisers  
130a High Street  
Crediton  
Devon  
EX17 3 LQ

# **South Devon Herd Book Society**

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# South Devon Herd Book Society

## Trustees' Report

### CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES

for the year ended 31<sup>st</sup> December 2021

As another year draws to a close and one reflects on the activities of the South Devon Herd Book Society, we tend to remember the good, and unfortunately soon followed by the not so good aspects. The past year has been relatively good for most sectors of agriculture, the beef price remaining stable with cereal, lamb and dairy continuing in an upward trend.

With a growing world population that needs to be fed one would think that food security would be high on the agenda for any government. The trade deals that have so far been negotiated with other countries to import food to feed our nation on the surface are great for the consumer, cheaper food for all! We don't need to produce food in this country so let's rewild fertile farmland and plant trees so we can offset our carbon footprint that has been created by transporting this food halfway across the world. Is this really what we should be achieving?

The UK has a climate that is fantastic at growing food to feed its nation with adequate rainfall in most areas. UK agriculture surely should be part of the solution to the climate change and our carbon footprint. A farm that grows grass is constantly taking CO<sup>2</sup> out of the atmosphere which is then eaten by our wonderful South Devon cattle and turned into a protein source that we as humans can consume, and in the process feeding the land with essential nutrients leading to increased organic matter content. What better a carbon cycle could we have! Some of the proposed greening schemes will suit the South Devon breed with its natural foraging ability, and our forefathers had great knowledge in what to plant to achieve sustainable grassland. Perhaps now is the time to embrace these more traditional approaches once again.

Relying on imports is a very scary situation to be in and recent increases in energy costs should be a wake-up call to all. The ability to restrict gas supplies to western Europe has led to huge increases in input costs to the agricultural sector which will no doubt take the shine off recent price increases we have seen in the beef price.

The year has been a little fuller of activities for the Society even though still curtailed by the continuing coronavirus pandemic. March saw our annual Sale at Exeter return and although the show could not take place for buyers to view potential purchases, an online parade of animals was very useful. Our thanks must go to the team at Kivells for once again facilitating the event and ensuring it ran smoothly.

The Annual General Meeting could not be held on the previous night to the Sale, so an online Zoom meeting was again held. At this point I would like to thank our retiring Society President Sir John Bell for his support at all the Society events throughout the two years he has held the position.

Although once again we did not hold our National Show, the Devon County show did take place with a new temporary date in July, and it was great to see exhibitors make the effort and put on a good show of South Devons. The National Show will be returning in 2022 to the Devon County Show which will be again held in July, and I am sure after a two year break it will be an event not to be missed.

In September our first live Council meeting took place and after 18 months of online meetings it was nice to be able to interact face to face once more. My thanks must go to all those of you who have served on Council and various committees over the past 12 months for giving your time for the benefit of the South Devon Herd Book Society. Unfortunately, the Society has not had a particularly good year financially with a disappointing trading loss, although there has been growth in our asset portfolio. Registrations are the life blood of any breed society. The ability to know an animal's breeding, its history and now going forward its genetic potential are so important. Very few people would buy a new car without knowing how it should perform in terms of speed and efficiency. With genomic predictors encompassing historical genetics, weight records, calving data and many other factors, having the ability to see the potential on the inside will allow us as breeders to enhance the animals we produce. All of the above is encompassed in a single registration of an animal and the more as breeders we put in, the more we will ultimately achieve.

My thanks must go on behalf of the South Devon Herd Book Society to Caroline, Liz, and Elizabeth for once again keeping the office going during these difficult times when working practices have had to be continuously changed to keep our staff safe during this pandemic.

It was great that we were able to run a very successful National Herd Competition in September and congratulations to the Grove Herd for being the winners. Our thanks must go to Mr & Mrs Scott and all their team for their generous hospitality on a beautiful September afternoon when we were able to view the herd.

# South Devon Herd Book Society

## Trustees' Report

Closely following the Open Day was the Autumn Show & Sale, once again at Worcester Market. I would like to thank McCartneys for their continued support of this event. Trade across both bulls and heifers were up on the year with purchasers looking for quality South Devon animals.

Throughout the year the breed improvement committee have been actively looking for potential AI Bulls and further the breed's availability to all members. It was also great to see that Z Highgate Osiris 5 is now at stud with Genus.

Through the year we have unfortunately lost some of our members and one that I feel I should mention is Roger Clemens. He was an avid supporter of South Devons throughout his life, promoting them across the country and always encouraging the younger generation to partake in the showing of the breed, and he will be greatly missed by all.

At the end of the year the Performance Championships were held at Agrifest at Westpoint with an excellent display of South Devons. All the talk on the morning of the show was the fantastic South Devon beef that was served at the pre-show dinner and our thanks go to Hadley Farms for supplying the meat.

We all know that we have a fantastic breed of cattle in the South Devon, its ability to perform in a variety of management situations whether intensive or extensive, their docility and ability to produce quality milk to feed their offspring right through to their meat-eating qualities should not be underestimated. So perhaps now is the time to spread the word far and wide of this great breed, the South Devon.

**Philip Laity, Society Chairman**

### Council attendance

J Andrew	2	H Ashcroft	4	T Bastard	3
A Brooks	3	E Bunkum	4	J Fentem	2
J Farnsworth	1	C Grisedale	2	R E Hadley	4
E G Hawkins	4	D Nixey	4	A L Pascoe	4
P S Rowe	4	J Shinner	4	A Threlkeld	0
J Tucker	3	J W Virgin	4	J White	4

# South Devon Herd Book Society

## Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2021.

### LEGAL AND ADMINISTRATIVE DETAILS

#### Status

The charity is a company limited by guarantee (number 35107) and was incorporated on 2<sup>nd</sup> November 1891. It was registered with the Charity Commission (number 24166) on 6<sup>th</sup> November 1967. The company was established under a Memorandum of Association which describes the objects and powers of the charitable company, and it is governed under its Articles of Association.

#### Registered Office

Westpoint  
Clyst St Mary  
Exeter  
Devon  
EX5 1DJ

#### Bankers

Lloyds Bank plc  
41 Courtenay Street  
Newton Abbot  
Devon  
TQ12 2QW

#### Investment Adviser

Brewin Dolphin Ltd  
Vantage Point  
Woodwater Park  
Pynes Hill, Exeter  
Devon, EX2 5FD

#### Solicitor

Michelmores LLP  
Woodwater House  
Pynes Hill  
Exeter  
Devon, EX2 5WR

#### Independent Examiner

Wortham Jaques Ltd  
130 High Street  
CREDITON  
Devon  
EX17 3LQ

#### Trustees of the Society

The trustees of the charity are the members of its Council who are elected by the Society's members and who serve for a three-year period after which they must stand down for one year before being eligible for re-election. The trustees for the year end up to the date this report was signed were:

#### Region 1

T Bastard  
E Bunkum  
A L Pascoe  
P S Rowe

#### Region 2

J Andrew  
H Ashcroft  
A Brooks  
J Shinner  
J Tucker

#### Region 3

E G Hawkins  
J W J Virgin

#### Region 4

D Nixey

#### Region 5

J Farnsworth  
J White

#### Region 6

C Grisedale  
R E Hadley

#### Region 7

J Fentem  
A Threlkeld

A H Bartley, R A Ford, G Hocking, R V Hartshorn, D L Irving and O Rounsevell retired at the AGM in 2021; and they were replaced by H Ashcroft, J Farnsworth, J Fentem, C Grisedale, P S Rowe and J Shinner.

J Andrew, T Bastard, R E Hadley, A Threlkeld, J W J Virgin and J White will retire at the AGM in 2022 and are not eligible for re-election.

#### Recruitment of trustees

The trustees are nominated and elected by secret ballot by the members of the Society in their regions as and when vacancies arise.

#### Induction and training of trustees

The trustees are encouraged to access information from the Charities Commission website as to their roles and responsibilities, and a Charities Commission introductory publication is made available to them at the start of their term as trustee. There is no formal training but existing trustees assist new trustees with procedural practice, and help and advice is available from the Breed Secretary.

#### Officers of the Society

Chairman: P Laity  
Deputy Chairman: E G Hawkins  
Secretary: Mrs C A Poultney

# South Devon Herd Book Society

## Trustees' Report

An Executive Committee appointed by Council formulates and carries out policy as directed by Council. Members of the Committee attend Council meetings but have no voting rights unless also Council members. The following were members of the Executive Committee during the year:

P Laity (Chairman)	C J Edwards	R E Hadley
E G Hawkins	N Hood	M R Rowe

Subsidiary committees – Breed Improvement and Breed Promotion – met during the year to formulate and carry out policy as directed by Council. Their members were appointed by Council. In addition, Judges Advisers met once with the Executive Committee.

### Staff of the Society

The Breed Secretary, Mrs Caroline Poultney, has day to day responsibility for the running of the business. This includes promoting the breed nationally and overseas, organising events, sourcing advice for members and non-members, producing the Society's information publications and breed journal, and overseeing production of the Herd Book. She also advises the Council on policy matters and decisions. Mrs E Noble administers animal registrations and pedigree transfers, DNA records, member and animal records, and assists with office administration. Mrs E Burren keeps the Society's accounting records and assists with office administration and member and non-member enquiries.

### Objectives

The Society exists to maintain the purity and improve the breeding of South Devon cattle in the United Kingdom of Great Britain and Northern Ireland or elsewhere throughout the world. This is carried out by:

- Producing and maintaining the South Devon Herd Book records
- Encouraging pedigree registrations, performance recording and DNA testing
- Advising members and the public through the media, and periodic publications
- Holding pedigree sales
- Promoting the breed at regional and national agricultural shows
- Recruiting new members
- Initiating research projects associated with breed development as appropriate

### Public benefit

The trustees have complied with the duty in section 17 (5) of the 2011 Charities Act to have due regard to the guidance published by the Charity Commission.

The Society strives to inform the public and its members of the benefits of breeding South Devon cattle including for high welfare, nutritional and environmental reasons. It achieves this through its publications, website, social media platform, staging of publicity and information events, and participation at public industry events such as agricultural shows, exhibitions and open days. It sponsors youth activities and holds competitions specifically for younger members.

Through its work the Society promotes the South Devon breed as a grazing beef breed native to the UK, whose management helps to safeguard the environment in a high welfare, environmentally sustainable, low carbon emitting way by converting pasture to a high quality, healthy, consumable product.

The Society encourages its members to implement high biosecurity and welfare standards, and to protect their herds from a range of endemic cattle diseases by way of knowledge transfer and a financial incentive.

### Review of activities

For the second year in succession the Society's activities were severely restricted by the Covid-19 pandemic, although it was possible to attend and run a number of events in the second half of the year. Without the usual public platform it was not possible to engage with and encourage members as closely as before the pandemic, nor to attract significant new business. This inevitably affected the turnover of female pedigree registrations.

In addition, the wider agricultural industry continued to face challenges associated with carbon capture and emissions, a vocal vegan lobby, rewilding and contradictory environmental schemes, changes to the agricultural financial support system, significant increases in supply costs, and the exit from Europe.

In these uncertain market conditions male registrations held up well at xxx, but female registrations fell by xxx. Pedigree transfers saw an increase in the previous period by xxx for males and xxx for females.

# South Devon Herd Book Society

## Trustees' Report

In addition to pedigree registrations members are offered a range of services including free weight recording, DNA testing, and a regular information service. It is anticipated that more Society events will be held for members during 2022 as Covid-19 restrictions continue to allow greater freedom for gatherings.

The two premier Society Sales were both held, in the spring and autumn, and both the Midland and the Cattle Breeders Clubs organised sales which were Society supported.

Genomic evaluations continued to be developed which would greatly enhance the accuracy of EBVs and provide a more robust guide for breeders and potential purchasers in line with long-term breed improvement. Development would continue through the first half of 2022, with a planned launch in the summer.

By mid-2021 it became possible to hold meetings in person, although some continued to be facilitated through online conference calls as appropriate.

The Society's publications included: the breed Journal; sale catalogues; semen lists; monthly BLUP evaluations; and regular newsletters. In addition the Society's social media pages were regularly populated with news. A series of four promotional videos were produced with the kind help of members, and students from the University of the West of England and were posted to YouTube. A new breed logo was chosen by the trustees to update the breed's profile – 'Where Quality Comes Naturally'.

A South Devon bull was selected by the breed improvement committee to be collected primarily for sale to dairy herds, and a second bull was acquired by Genus for sexed semen collection.

The Society increased its financial incentives: to offer a free weight recording service to all members; to encourage a higher level of registrations at birth by offering credits against registration fees for non-breeding animals; to encourage membership of herd health schemes; and to subsidise the myostatin testing of registered bulls.

### Financial review

The gross incoming resources for the year amounted to £199,012 (£203,221 in 2020). Total expenditure was £214,096 (£206,398 in 2020).

The results from the year from normal activities show a deficit of £15,084 compared to a deficit of £3,177 in the previous 12 months. There were net realised gains from investments of £69,939 (gains of £4,955 in 2020), resulting in a total net movement in funds of £54,855. The total investment portfolio value at the end of the year stood at £544,731 (£479,381 in 2020). Total charity funds at the end of the year stood at £643,744 (£588,889 at the end of 2020).

### Statistical information/comment

<u>Membership</u>	<u>2021</u>	<u>2020</u>
Full	516	524
Associate & Retired	58	66
Life	35	34
Youth	2	2
Introductory	<u>14</u>	<u>18</u>
	<u>625</u>	<u>644</u>

<u>Registrations</u>	<u>2021</u>	<u>2020</u>	<u>Transfers</u>	<u>2021</u>	<u>2020</u>
Male	231	217	Male	110	98
Female	<u>2611</u>	<u>2906</u>	Female	<u>248</u>	<u>184</u>
	<u>2842</u>	<u>3123</u>		<u>358</u>	<u>282</u>

### Investment Policy and Preference

The Society's investment objective is to maintain and enhance the value of the fixed assets over the long term to maintain and, if possible, to increase the income available for the purpose of the charity.

To achieve this objective the policy of the Society is to invest in a broad range of equities and fixed interest investments. The investments are regularly reviewed with the assistance of independent expertise and their performance compared with the appropriate indices.

# South Devon Herd Book Society

## Trustees' Report

### Future Plans

A Business Plan is revised annually, which outlines the Society's objectives: to maintain the purity, improve the breeding, and promote the keeping of South Devon cattle in the United Kingdom or elsewhere in the world. Plans include the continued raising of standards at Society sales and the integrity of pedigree data; facilitating the availability of pedigree and other related information to members and non-members; encouraging the use of technical aids such as DNA testing, female type classification, and performance recording; promoting the breed to commercial beef producers; encouraging best practice in herd health; and a continuing project to build genomic predictors through DNA which is being developed by ABRI.

### Risk Assessment

The Society's Risk Assessment has been reviewed in 2021, and a Register of Risks is maintained. Measures to reduce the exposure to risk are regularly reviewed. The Society has in place measures to acquire member permission for publication of their contact details on the website and in paper publications to protect personal data.

### Reserves Policy

Unrestricted reserves at the end of the year totalled £643,744, of which £65,147 has been designated by the Trustees for particular purposes (as shown in the notes to the full accounts). This left general reserves of £578,597. The Trustees aim to maintain these reserves at a level sufficient to cover business running costs for a period of 12 months, taking into account the particular volatility of the agricultural industry. In addition, the policy is to keep surplus funds available for allocation to specific breed improvement and/or breed promotion activities as and when decided by the Trustees. Currently the Society is investing in one breed development project.

### Statement of Trustees' Responsibilities

The trustees (who are also the directors of South Devon Herd Book Society for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations. The report and accounts have been prepared in accordance with the provisions in the Companies Act 2006 relating to small companies.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# **South Devon Herd Book Society**

## **Trustees' Report**

### **Small companies provision statement**

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

The annual report was approved by the trustees of the charity on 5 April 2022 and signed on its behalf by:

.....  
E G Hawkins  
Trustee

## South Devon Herd Book Society

### Independent Examiner's Report to the trustees of South Devon Herd Book Society ("the Company")

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2021.

#### Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of South Devon Herd Book Society are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of South Devon Herd Book Society as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

.....  
Charlotte Gibbs BFP ACA  
Wortham Jaques Ltd  
Chartered Accountants and Charity Advisers

130a High Street  
Crediton  
Devon  
EX17 3 LQ

Date:.....

## South Devon Herd Book Society

### Statement of Financial Activities for the Year Ended 31 December 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2021 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	33,073	33,073
Charitable activities	4	140,673	140,673
Other trading activities	5	14,017	14,017
Investment income	6	11,249	11,249
Total income		199,012	199,012
<b>Expenditure on:</b>			
Raising funds	7	(9,454)	(9,454)
Charitable activities	8	(204,642)	(204,642)
Total expenditure		(214,096)	(214,096)
Gains/losses on investment assets		69,939	69,939
Net income		54,855	54,855
Net movement in funds		54,855	54,855
<b>Reconciliation of funds</b>			
Total funds brought forward		588,889	588,889
Total funds carried forward	25	643,744	643,744

The notes on pages 13 to 35 form an integral part of these financial statements.

## South Devon Herd Book Society

### Statement of Financial Activities for the Year Ended 31 December 2021 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2020 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	33,679	33,679
Charitable activities	4	145,336	145,336
Other trading activities	5	12,539	12,539
Investment income	6	11,667	11,667
Total income		<u>203,221</u>	<u>203,221</u>
<b>Expenditure on:</b>			
Raising funds	7	(8,862)	(8,862)
Charitable activities	8	<u>(197,536)</u>	<u>(197,536)</u>
Total expenditure		(206,398)	(206,398)
Gains/losses on investment assets		<u>4,955</u>	<u>4,955</u>
Net income		<u>1,778</u>	<u>1,778</u>
Net movement in funds		1,778	1,778
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>587,111</u>	<u>587,111</u>
Total funds carried forward	25	<u><u>588,889</u></u>	<u><u>588,889</u></u>

All of the charity's activities derive from continuing operations during the above two periods.  
The funds breakdown for 2021 and 2020 is shown in note 25.

The notes on pages 13 to 35 form an integral part of these financial statements.

**South Devon Herd Book Society**  
**(Registration number: 00035107)**  
**Balance Sheet as at 31 December 2021**

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Tangible assets	15	31,194	32,247
Investments	16	<u>544,731</u>	<u>479,381</u>
		<u>575,925</u>	<u>511,628</u>
<b>Current assets</b>			
Stocks	17	2,293	3,094
Debtors	18	47,943	53,022
Cash at bank and in hand	19	<u>64,213</u>	<u>65,354</u>
		114,449	121,470
<b>Creditors: Amounts falling due within one year</b>	20	<u>(46,630)</u>	<u>(44,209)</u>
<b>Net current assets</b>		<u>67,819</u>	<u>77,261</u>
<b>Net assets</b>		<u>643,744</u>	<u>588,889</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		507,948	492,490
Revaluation reserve		<u>135,796</u>	<u>96,399</u>
Total unrestricted funds		<u>643,744</u>	<u>588,889</u>
<b>Total funds</b>	25	<u>643,744</u>	<u>588,889</u>

For the financial year ending 31 December 2021 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

The notes on pages 13 to 35 form an integral part of these financial statements.

**South Devon Herd Book Society**  
**(Registration number: 00035107)**  
**Balance Sheet as at 31 December 2021**

The financial statements on pages 9 to 35 were approved by the trustees, and authorised for issue on 5 April 2022 and signed on their behalf by:

.....  
E G Hawkins  
Trustee

The notes on pages 13 to 35 form an integral part of these financial statements.

# South Devon Herd Book Society

## Notes to the Financial Statements for the Year Ended 31 December 2021

### 1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Westpoint  
Clyst St Mary  
Exeter  
Devon  
EX5 1DJ

These financial statements were authorised for issue by the trustees on 5 April 2022.

### 2 Accounting policies

#### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)) (issued in October 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

#### Basis of preparation

South Devon Herd Book Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

#### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

#### Income and endowments

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

#### Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### *Deferred income*

Deferred income represents amounts received for future periods and is released to incoming resources in the period for which, it has been received. Such income is only deferred when:

- The donor specifies that the grant or donation must only be used in future accounting periods; or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement.

#### *Donated services and facilities*

Where services or facilities are provided to the Charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at the cost to the donor or the resale value of goods that are to be sold.

#### *Investment income*

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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### **Expenditure**

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### *Raising funds*

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### *Charitable activities*

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

#### **Support costs**

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### **Governance costs**

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### Tangible fixed assets

Individual fixed assets costing £100.00 or more (other than trophies) are initially recorded at cost. Trophies are recorded as a donation at valuation and are capitalised in the year of donation.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Show equipment and trophies	10% reducing balance
Office equipment	20% reducing balance
Computer equipment	20% reducing balance

#### Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO) method.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Statement of Financial Activities over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the charity has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

#### Foreign exchange

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date.

The results of overseas operations are translated at the average rates of exchange during the period and their balance sheets at the rates ruling at the balance sheet date. Exchange differences arising on translation of the opening net assets and results of overseas operations are reported in other comprehensive income and accumulated in equity (attributed to non-controlling interests as appropriate).

Other exchange differences are recognised in the Statement of Financial Activities in the period in which they arise except for:

- 1) exchange differences on transactions entered into to hedge certain foreign currency risks (see above);
- 2) exchange differences arising on gains or losses on non-monetary items which are recognised in other comprehensive income; and
- 3) in the case of the consolidated financial statements, exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised in other comprehensive income and reported under equity.

#### Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **Financial instruments**

##### *Classification*

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

##### *Recognition and measurement*

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### *Debt instruments*

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

(a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.

(b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.

(c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).

(d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.

(e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.

(f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Debt instruments that are classified as payable or receivable within one year on initial recognition and which meet the above conditions are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

#### *Investments*

Investments in non-convertible preference shares and non-puttable ordinary or preference shares (where shares are publicly traded or their fair value is reliably measurable) are measured at fair value through profit or loss. Where fair value cannot be measured reliably, investments are measured at cost less impairment.

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### *Derivative financial instruments*

The charity uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The charity does not hold or issue derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The resulting gain or loss is recognised in statement of financial activities immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in statement of financial activities depends on the nature of the hedge relationship.

#### *Fair value measurement*

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

### 3 Income from donations and legacies

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Donations and legacies;		
Donations from individuals	918	918
Regular giving and capital donations	32,155	32,155
<b>Total for 2021</b>	<u>33,073</u>	<u>33,073</u>
<b>Total for 2020</b>	<u>33,679</u>	<u>33,679</u>

### 4 Income from charitable activities

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Members' services	135,740	135,740
Breed development	4,933	4,933
<b>Total for 2021</b>	<u>140,673</u>	<u>140,673</u>
<b>Total for 2020</b>	<u>145,336</u>	<u>145,336</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 5 Income from other trading activities

	<b>Unrestricted funds Designated £</b>	<b>General £</b>	<b>Total funds £</b>
Trading income;			
Sales of goods and services	-	1,074	1,074
Other trading income	-	10,993	10,993
Lotteries and competitions income	975	975	1,950
<b>Total for 2021</b>	975	13,042	14,017
<b>Total for 2020</b>	968	11,571	12,539

#### 6 Investment income

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Income from dividends;		
Dividends receivable from other listed investments	10,970	10,970
Interest receivable and similar income;		
Interest receivable on bank deposits	29	29
Interest receivable on other loans	250	250
<b>Total for 2021</b>	11,249	11,249
<b>Total for 2020</b>	11,667	11,667

#### 7 Expenditure on raising funds

##### a) Costs of generating donations and legacies

	<b>Note</b>	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Allocated support costs	9	356	356
<b>Total for 2021</b>		356	356
<b>Total for 2020</b>		387	387

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### b) Costs of trading activities

	Note	Unrestricted funds General £	Total funds £
Costs of goods sold		719	719
Lotteries and competitions		1,123	1,123
Allocated support costs	9	681	681
<b>Total for 2021</b>		2,523	2,523
<b>Total for 2020</b>		2,535	2,535

#### c) Investment management costs

	Note	Unrestricted funds General £	Total funds £
Other investment management costs; Amounts payable to investment managers		4,133	4,133
<b>Total for 2021</b>		4,133	4,133
<b>Total for 2020</b>		3,473	3,473
			<b>Total costs £</b>

#### 8 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total funds £
Members' services		46,410	46,410
Breed development		12,782	12,782
Breed promotion		12,295	12,295
Staff costs		88,540	88,540
Allocated support costs	9	33,019	33,019
Governance costs	9	11,596	11,596
<b>Total for 2021</b>		204,642	204,642
<b>Total for 2020</b>		197,536	197,536

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

	Activity undertaken directly £	Activity support costs £	Total expenditure £
Members' services	46,410	94,827	141,237
Breed development	12,782	11,385	24,167
Breed promotion	12,295	15,346	27,641
<b>Total for 2021</b>	71,487	121,558	193,045
<b>Total for 2020</b>	62,122	123,036	185,158

In addition to the expenditure analysed above, there are also governance costs of £11,597 (2020 - £12,378) which relate directly to charitable activities. See note 9 for further details.

#### 9 Analysis of governance and support costs

##### Charitable activities expenditure

	Unrestricted funds General £	Total funds £
<b>Basis of allocation</b>		
Herd Book production	742	742
Breed research	778	778
Promotion and publicity	5,537	5,537
Sponsorship	50	50
Travelling	3,753	3,753
Breedplan costs	23,676	23,676
Shows, sales and competitions	6,095	6,095
Semen storage and distribution	5,063	5,063
DNA test costs	15,883	15,883
Journal production	9,910	9,910
<b>Total for 2021</b>	71,487	71,487
<b>Total for 2020</b>	62,122	62,122

**South Devon Herd Book Society**

**Notes to the Financial Statements for the Year Ended 31 December 2021**

**Support costs allocated to raising funds**

		<b>Staff costs</b>	<b>Administration</b>	<b>Premises costs</b>	<b>Total</b>
	<b>Basis of allocation</b>	<b>£</b>	<b>costs</b>	<b>including</b>	<b>2021</b>
			<b>£</b>	<b>depreciation</b>	<b>£</b>
Costs of generating donations and legacies	A	978	222	134	1,334
Costs of trading activities	A	1,461	444	238	2,143
		<u>2,439</u>	<u>666</u>	<u>372</u>	<u>3,477</u>
				<b>Premises costs</b>	<b>Total</b>
	<b>Basis of allocation</b>	<b>Staff costs</b>	<b>Administration</b>	<b>including</b>	<b>2020</b>
		<b>£</b>	<b>costs</b>	<b>depreciation</b>	<b>£</b>
			<b>£</b>	<b>£</b>	<b>£</b>
Costs of generating donations and legacies	A	16	988	226	145
Costs of trading activities	A	32	1,479	423	252
		<u>48</u>	<u>2,467</u>	<u>649</u>	<u>397</u>
				<u>397</u>	<u>3,561</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### Support costs allocated to charitable activities

	<b>Basis of allocation</b>	<b>Information technology £</b>	<b>Staff costs £</b>	<b>Administration costs £</b>	<b>Premises costs including depreciation £</b>	<b>Total 2021 £</b>
Members' services	A	855	65,868	17,504	10,601	94,828
Breed development	A	76	9,856	956	496	11,384
Breed promotion	A	855	12,816	1,057	620	15,348
Governance	A	57	-	994	372	1,423
		1,843	88,540	20,511	12,089	122,983
	<b>Basis of allocation</b>	<b>Information technology £</b>	<b>Staff costs £</b>	<b>Administration costs £</b>	<b>Premises costs including depreciation £</b>	<b>Total 2020 £</b>
Members' services	A	729	66,575	17,888	11,066	96,258
Breed development	A	64	9,899	954	527	11,444
Breed promotion	A	709	12,869	1,096	660	15,334
Governance	A	48	-	830	396	1,274
		1,550	89,343	20,768	12,649	124,310

#### Basis of allocation

##### Reference

##### Method of allocation

A

The amounts allocated to each activity are determined by the demand each activity has for each support resource.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### Governance costs

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Staff costs		
Wages and salaries	6,347	6,347
Social security costs	371	371
Pension costs	157	157
Other staff costs	22	22
Independent examiner fees		
Examination of the financial statements	1,850	1,850
Legal fees	35	35
Other governance costs	1,391	1,391
Allocated support costs	1,423	1,423
<b>Total for 2021</b>	<b>11,596</b>	<b>11,596</b>
<b>Total for 2020</b>	<b>12,378</b>	<b>12,378</b>

#### 10 Net incoming/outgoing resources

Net outgoing resources for the year include:

	<b>2021 £</b>	<b>2020 £</b>
Other non-audit services	1,850	2,700
Depreciation of fixed assets	1,053	1,259

#### 11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

#### 12 Staff costs

The aggregate payroll costs were as follows:

	<b>2021 £</b>	<b>2020 £</b>
<b>Staff costs during the year were:</b>		
Wages and salaries	90,221	90,878
Social security costs	4,836	5,017
Pension costs	2,100	2,167
Other staff costs	722	677
	<b>97,879</b>	<b>98,739</b>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

The monthly average number of persons (including senior management / leadership team) employed by the charity during the year expressed as full time equivalents was as follows:

	<b>2021</b>	<b>2020</b>
	<b>No</b>	<b>No</b>
Charitable activities	<u>3</u>	<u>3</u>

3 (2020 - 3) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £2,100 (2020 - £2,167).

No employee received emoluments of more than £60,000 during the year.

#### **13 Independent examiner's remuneration**

	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Examination of the financial statements	<u>1,850</u>	<u>2,700</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 15 Tangible fixed assets

	Furniture and equipment £	Computer equipment £	Trophies and show equipment £	Total £
<b>Cost</b>				
At 1 January 2021	13,909	22,177	33,208	69,294
At 31 December 2021	13,909	22,177	33,208	69,294
<b>Depreciation</b>				
At 1 January 2021	13,755	19,059	4,233	37,047
Charge for the year	31	624	398	1,053
At 31 December 2021	13,786	19,683	4,631	38,100
<b>Net book value</b>				
At 31 December 2021	123	2,494	28,577	31,194
At 31 December 2020	154	3,118	28,975	32,247

#### 16 Fixed asset investments

	2021 £	2020 £
Other investments	544,731	479,381

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### Other investments

	Listed investments £	Unlisted investments £	Total £
<b>Cost or Valuation</b>			
At 1 January 2021	465,753	13,628	479,381
Revaluation	57,792	-	57,792
Additions	88,480	126,078	214,558
Disposals	<u>(102,737)</u>	<u>(104,263)</u>	<u>(207,000)</u>
At 31 December 2021	<u>509,288</u>	<u>35,443</u>	<u>544,731</u>
<b>Net book value</b>			
At 31 December 2021	<u>509,288</u>	<u>35,443</u>	<u>544,731</u>
At 31 December 2020	<u>465,753</u>	<u>13,628</u>	<u>479,381</u>

The market value of the listed investments at 31 December 2021 was £209,288 (2020 - £46,753).

#### 17 Stock

	2021 £	2020 £
Stocks	<u>2,293</u>	<u>3,094</u>

#### 18 Debtors

	2021 £	2020 £
Trade debtors	40,461	42,562
Prepayments	4,115	4,429
Other debtors	<u>3,367</u>	<u>6,031</u>
	<u>47,943</u>	<u>53,022</u>

Debtors includes £2,997 (2020: £2,997) receivable after more than one year.

	2021 £	2020 £
Other debtors	<u>2,997</u>	<u>2,997</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 19 Cash and cash equivalents

	2021 £	2020 £
Cash on hand	518	503
Cash at bank	63,695	64,851
	<u>64,213</u>	<u>65,354</u>

#### 20 Creditors: amounts falling due within one year

	2021 £	2020 £
Trade creditors	26,766	23,673
Other taxation and social security	6,603	8,030
Other creditors	6,238	5,365
Accruals	3,763	3,571
Deferred income	3,260	3,570
	<u>46,630</u>	<u>44,209</u>
	<b>2021</b> £	<b>2020</b> £
Deferred income at 1 January 2021	3,570	1,780
Resources deferred in the period	-	2,100
Amounts released from previous periods	(310)	(310)
Deferred income at year end	<u>3,260</u>	<u>3,570</u>

Deferred income includes:

Life membership subscriptions released over 10 years with a total unexpired value of £1,160; and £2,100 received during the year ended 31st December 2020 as sponsorship for that National Show, which has been postponed until 2022. It has been agreed with the sponsors to hold this money until next year.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 21 Obligations under leases and hire purchase contracts

##### Operating lease commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2021 £
<b>Land and buildings</b>	
Within one year	10,600
Between one and five years	<u>10,600</u>
	<u>21,200</u>
<b>Other</b>	
Within one year	21,860
Between one and five years	<u>119,630</u>
	<u>141,490</u>

#### 22 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £2,100 (2020 - £2,167).

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### 23 Reserves

	<b>Unrestricted revaluation reserve £</b>	<b>Total £</b>
At 1 January 2021	96,399	96,399
Transfer of surplus funds	(30,542)	(30,542)
Unrealised gain on investments	69,939	69,939
	135,796	135,796
At 31 December 2021	135,796	135,796
	<b>Unrestricted revaluation reserve £</b>	<b>Total £</b>
At 1 January 2020	122,128	122,128
Transfer of surplus funds	(30,684)	(30,684)
Unrealised gain on investments	4,955	4,955
	96,399	96,399
At 31 December 2020	96,399	96,399

#### 24 Contingent liabilities

Registration fees paid will be credited upon application by the breeder who paid the registration fee where registered animals have been slaughtered before they are 30 months old. All applications must be made within 4 months of the animal's slaughter. The Society estimates the contingent liability arising to be in the region of £10,000 per year.

#### 25 Funds

	<b>Balance at 1 January 2021 £</b>	<b>Incoming resources £</b>	<b>Resources expended £</b>	<b>Other recognised gains/(losses) £</b>	<b>Balance at 31 December 2021 £</b>
<b>Unrestricted funds</b>					
<i>General</i>					
Unrestricted funds	524,717	198,037	(214,096)	69,939	578,597
<i>Designated</i>					
National show	10,952	975	-	-	11,927
Genomic predictor	53,220	-	-	-	53,220
	64,172	975	-	-	65,147
<b>Total funds</b>	588,889	199,012	(214,096)	69,939	643,744

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>					
<i>General</i>					
Unrestricted funds	523,907	202,253	(206,398)	4,955	524,717
<i>Designated</i>					
National show	9,984	968	-	-	10,952
Genomic predictor	53,220	-	-	-	53,220
	<u>63,204</u>	<u>968</u>	<u>-</u>	<u>-</u>	<u>64,172</u>
<b>Total funds</b>	<u>587,111</u>	<u>203,221</u>	<u>(206,398)</u>	<u>4,955</u>	<u>588,889</u>

The specific purposes for which the funds are to be applied are as follows:

#### Designated Funds

##### National Show

Allocation of half the proceeds from the Auction of Promises (£2,000) together with the Club fund net income towards the costs of the 2021 National Show.

##### DNA Research

Council agreed in September 2014 to set aside up to £60,000 from the Society's reserves towards this project and the costs have amounted to £900 to date.

#### 26 Analysis of net assets between funds

	Unrestricted funds		Total funds at 31 December 2021 £
	General £	Designated £	
Tangible fixed assets	31,194	-	31,194
Fixed asset investments	544,731	-	544,731
Current assets	49,302	65,147	114,449
Current liabilities	<u>(46,630)</u>	<u>-</u>	<u>(46,630)</u>
Total net assets	<u>578,597</u>	<u>65,147</u>	<u>643,744</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

	Unrestricted funds		Total funds at
	General	Designated	31 December
	£	£	2020 £
Tangible fixed assets	32,247	-	32,247
Fixed asset investments	479,381	-	479,381
Current assets	57,298	64,172	121,470
Current liabilities	(44,209)	-	(44,209)
Total net assets	524,717	64,172	588,889

#### 27 Related party transactions

During the year the charity made the following related party transactions:

##### **H M Ashcroft**

(Trustee from 30 March 2021)

Purchases from the Society at arms-length value £3,551. At the balance sheet date the amount due from H M Ashcroft was £2,889 (2020 - £Nil).

##### **A H Bartley**

(Trustee to 30 March 2021)

Purchases from the Society at arms-length value £382.80. At the balance sheet date the amount due from A H Bartley was £42 (2020 - £130).

##### **T J Bastard**

(Trustee)

Purchases from the Society at arms-length value £600. At the balance sheet date the amount due to/from T J Bastard was £Nil (2020 - £Nil).

##### **S A Brooks**

(Trustee)

Purchases from the Society at arms-length value £271. At the balance sheet date the amount due from S A Brooks was £57 (2020 - £Nil).

##### **E J Bunkum**

(Trustee)

Purchases from the Society at arms-length value £958. At the balance sheet date the amount due from E J Bunkum was £52 (2020 - £36 due to).

##### **J Fentem**

(Trustee from 30 March 2021)

Purchases from the Society at arms-length value £2,481. At the balance sheet date the amount due to J Fentem was £95 (2020 - £Nil).

##### **R A Ford**

(Trustee to 30 March 2021)

Purchases from the Society at arms-length value £36. At the balance sheet date the amount due from R A Ford was £378 (2020 - £130).

##### **C O F Grisedale**

(Trustee from 30 March 2021)

Purchases from the Society at arms-length value £1,656. At the balance sheet date the amount due to/from C O F Grisedale was £Nil (2020 - £Nil).

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2021

#### **R E Hadley**

(Trustee)

Purchases from the Society at arms-length value £367. At the balance sheet date the amount due to/from R E Hadley was £Nil (2020 - £Nil).

#### **R V Hartshorn**

(Trustee to 30 March 2021)

Purchases from the Society at arms-length value £117. At the balance sheet date the amount due from R V Hartshorn was £130 (2020 - £Nil).

#### **E G Hawkins**

(Trustee)

Purchases from the Society at arms-length value £916. At the balance sheet date the amount due from E G Hawkins was £131 (2020 - £Nil).

#### **G T L Hocking**

(Trustee to 30 March 2021)

Purchases from the Society at arms-length value £72. At the balance sheet date the amount due to G T L Hocking was £216 (2020 - £72 due from).

#### **D L Irving**

(Trustee to 30 March 2021)

Purchases from the Society at arms-length value £192. At the balance sheet date the amount due from D L Irving was £163 (2020 - £Nil).

#### **D P Nixey**

(Trustee)

Purchases from the Society at arms-length value £324. At the balance sheet date the amount due to/from D P Nixey was £Nil (2020 - £Nil).

#### **A L Pascoe**

(Trustee)

Purchases from the Society at arms-length value £418. At the balance sheet date the amount due to/from A L Pascoe was £Nil (2020 - £Nil).

#### **O W T Rounsevell**

(Trustee to 30 March 2021)

Purchases from the Society at arms-length value £72. At the balance sheet date the amount due to/from O W T Rounsevell was £Nil (2020 - £Nil).

#### **P S Rowe**

(Trustee)

Purchases from the Society at arms-length value £3,708. At the balance sheet date the amount due from P S Rowe was £1,999 (2020 - £550).

#### **J W Shinner**

(Trustee)

Purchases from the Society at arms-length value £1,406. At the balance sheet date the amount due from J W Shinner was £358 (2020 - £70).

#### **A T Threlkeld**

(Trustee)

Purchases from the Society at arms-length value £622. At the balance sheet date the amount due from A T Threlkeld was £309 (2020 - £Nil).

#### **J W J Virgin**

(Trustee)

Purchases from the Society at arms-length value £981. At the balance sheet date the amount due to/from from J W J Virgin was £Nil (2020 - £338).

## **South Devon Herd Book Society**

### **Notes to the Financial Statements for the Year Ended 31 December 2021**

#### **J M White**

(Trustee)

Purchases from the Society at arms-length value £3,123. At the balance sheet date the amount due from J M White was £2,889 (2020 - £Nil).

**SOUTH DEVON HERD BOOK SOCIETY**

England & Wales - Charity number 254166

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# Accounts

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Company registration number: 00035107

Charity registration number: 254166

# South Devon Herd Book Society

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2020

Wortham Jaques Ltd  
Chartered Accountants and Charity Advisers  
130a High Street  
Crediton  
Devon  
EX17 3 LQ

**South Devon Herd Book Society**

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## **South Devon Herd Book Society**

### **Reference and Administrative Details**

#### **Trustees**

J R Andrew  
A H Bartley  
T J Bastard  
Mrs S A Brooks  
Mrs E Bunkum  
R A Ford  
R E Hadley  
R V Hartshorn  
E G Hawkins  
G Hocking  
D L Irving  
Mr D P Nixey  
A L Pascoe  
O Rounsevell  
A T Threlkeld  
J Tucker  
J W J Virgin  
J M White  
Mrs C A Poultney

#### **Secretary**

#### **Principal Office**

Westpoint  
Clyst St Mary  
Exeter  
Devon  
EX5 1DJ

The charity is incorporated in England and Wales.

## **South Devon Herd Book Society**

### **Reference and Administrative Details**

<b>Company Registration Number</b>	00035107
<b>Charity Registration Number</b>	254166
<b>Solicitors</b>	Michelmores LLP Woodwater House Pynes Hill Exeter Devon EX2 5WR
<b>Bankers</b>	Lloyds Bank PLC 41 Courtenay Street Newton Abbot Devon TQ12 2QW
<b>Independent Examiner</b>	Wortham Jaques Ltd Chartered Accountants and Charity Advisers 130a High Street Crediton Devon EX17 3 LQ

## South Devon Herd Book Society

### Trustees' Report

#### CHAIRMAN'S REPORT ON BEHALF OF THE TRUSTEES

2020 is the year that will go down in the history books for sure. Little did we know that a virus that started in China would have such an impact on the world that we live in, an "Annus Horribilis" it certainly turned out to be. Our Breed Secretary Caroline made a fantastic recovery with her sheer determination not to let anything stop her from carrying out her duties working from home as and when she was able. It was great to see how much progress she made in such little time to keep the wheels of the Society rolling. Little did we all know that within a short time the whole country would be working from home!

The outbreak of the coronavirus pandemic was something that none of us could have predicted and the decision for the Annual General Meeting to be postponed and Spring Sale to be cancelled, although unfortunate proved to be right as the days progressed.

I believe that I must be the first ever Chairman of the Society who has been unable to meet his Council in person yet still manage the full schedule of meetings throughout the year. It has not been easy at times, with frustration over internet access and reliability, but 'Zoom' meetings do have their benefits: not having to spend a whole day away from the farm and in some cases driving two hundred plus miles certainly makes life easier. Going forward I would like to think that more meetings will take place in this format which might encourage those members that do not always have the time and live in more remote areas to have a greater input into the Society.

Meeting face to face does have its benefits and I think we have all missed the social aspect over the past twelve months, which is particularly important in the very isolated industry that we work. Our various committees have been busy over the year and the ability to meet for just an hour or so has proved greatly beneficial. The delayed Annual General Meeting was held in June and it was great to see so many people albeit on a computer screen.

The office has been manned when it has been safe and practically possible given the current situation and have been kept busy throughout. Although registrations were down a little, savings have also been made due to the coronavirus pandemic, leaving us with a small profit for the year. We are however continuing to look at efficiencies throughout the Society so we can provide a service that is sustainable for many years to come.

As we moved into the summer with no shows to attend and our main shop window closed for business it was great to see various online virtual competitions taking place to keep all our spirits up. Some of the regions held their herd competitions which was fantastic, but unfortunately it became impractical and not worth the risk to continue with the National Herd Competition.

The Autumn Sale at Worcester Market once again proved a successful venue and we thank Clive Roads and his team at McCartneys for their continued support. With social distancing in force, those who did attend were there to do business while purchasers that preferred to stay at home made use of the online live stream and bidding over the telephone.

Finally, I would like to thank all those who have given their time to Society matters over the past 12 months, from Executive, Council, and the various committees. I would like to thank Sir John Bell as our Society President for the year and hope that this year will give us all the opportunity to meet him at Society events. Particular thanks must be given to our past Chairman Bob Bostelmann for his three-year term at the helm. Also, we should not forget Caroline, Liz and Elizabeth for their continued hard work during this very difficult year and let's hope for a more normal 2021 for us all.

#### **Philip Laity, Society Chairman**

##### Council attendance

J Andrew	3	A H Bartley	5	T Bastard	5
A Brooks	4	E Bunkum	5	R A Ford	3
R E Hadley	4	R V Hartshorn	5	E G Hawkins	5
D L Irving	2	D Nixey	5	A L Pascoe	5
O Rounsevell	5	A Threlkeld	0	J Tucker	5
J W Virgin	5	J White	5		

# South Devon Herd Book Society

## Trustees' Report

### REPORT OF THE TRUSTEES

for the year ended 31<sup>st</sup> December 2020

#### LEGAL AND ADMINISTRATIVE DETAILS

##### Status

The charity is a company limited by guarantee (number 35107) and was incorporated on 2<sup>nd</sup> November 1891. It was registered with the Charity Commission (number 24166) on 6<sup>th</sup> November 1967. The company was established under a Memorandum of Association which describes the objects and powers of the charitable company, and it is governed under its Articles of Association.

##### Registered Office

Westpoint  
Clyst St Mary  
Exeter  
Devon  
EX5 1DJ

##### Bankers

Lloyds Bank plc  
41 Courtenay Street  
Newton Abbot  
Devon  
TQ12 2QW

##### Investment Adviser

Brewin Dolphin Ltd  
Vantage Point  
Woodwater Park  
Pynes Hill, Exeter  
Devon, EX2 5FD

##### Solicitor

Michelmores LLP  
Woodwater House  
Pynes Hill  
Exeter  
Devon, EX2 5WR

##### Independent Examiner

Wortham Jaques  
130 High Street  
Crediton  
Devon  
EX17 3LQ

##### Trustees of the Society

The trustees of the charity are the members of its Council who are elected by the Society's members and who serve for a three year period after which they must stand down for one year before being eligible for re-election. The trustees for the year end up to the date this report was signed were:

##### Region 1

T Bastard  
E Bunkum  
A L Pascoe  
O Rounsevell

##### Region 2

J Andrew  
A H Bartley  
A Brooks  
G Hocking  
J Tucker

##### Region 3

E G Hawkins  
J W J Virgin

##### Region 4

D Nixey

##### Region 5

R A Ford  
J White

##### Region 6

R E Hadley  
R V Hartshorn

##### Region 7

D L Irving  
A Threlkeld

N Bunkum, P Claridge, J C Coward, R R B Harvey, D M Thomas, and S Tucker retired at the AGM in 2020; and they were replaced by A Brooks, E Bunkum, E G Hawkins, D Nixey, A L Pascoe, and J Tucker.

A H Bartley, R A Ford, R V Hartshorn, G Hocking, D L Irving, and O Rounsevell will retire at the AGM in 2021 and are not eligible for re-election.

##### Recruitment of trustees

The trustees are nominated and elected by secret ballot by the members of the Society in their regions as and when vacancies arise.

##### Induction and training of trustees

The trustees are encouraged to access information from the Charities Commission website as to their roles and responsibilities, and a Charities Commission introductory publication is made available to them at the start of their term as trustee. There is no formal training but existing trustees assist new trustees with procedural practice, and help and advice is available from the Breed Secretary.

##### Officers of the Society

Chairman: P Laity  
Deputy Chairman: E G Hawkins  
Secretary: Mrs C A Poultney

## South Devon Herd Book Society

### Trustees' Report

An Executive Committee appointed by Council formulates and carries out policy as directed by Council. Members of the Committee attend Council meetings but have no voting rights unless also Council members. The following were members of the Executive Committee during the year:

P Laity (Chairman)	C J Edwards	R E Hadley
E G Hawkins	N Hood	M R Rowe

Subsidiary committees – Breed Improvement and Breed Promotion – met during the year to formulate and carry out policy as directed by Council. Their members were appointed by Council. In addition, Judges Advisers met once with the Executive Committee.

#### Staff of the Society

The Breed Secretary, Mrs Caroline Poultney, has day to day responsibility for the running of the business. This includes promoting the breed nationally and overseas, organising events, sourcing advice for members and non-members, producing the Society's information publications and breed journal, and overseeing production of the Herd Book. She also advises the Council on policy matters and decisions. Mrs E Noble administers animal registrations and pedigree transfers, DNA records, member and animal records, and assists with office administration. Mrs E Burren keeps the Society's accounting records and assists with office administration and member and non-member enquiries.

#### Objectives

The Society exists to maintain the purity and improve the breeding of South Devon cattle in the United Kingdom of Great Britain and Northern Ireland or elsewhere throughout the world. This is carried out by:

- Producing and maintaining the South Devon Herd Book records
- Encouraging pedigree registrations, performance recording and DNA testing
- Advising members and the public through the media, and periodic publications
- Holding pedigree sales
- Promoting the breed at regional and national agricultural shows
- Recruiting new members
- Initiating research projects associated with breed development as appropriate

#### Public benefit

The trustees have complied with the duty in section 17 (5) of the 2011 Charities Act to have due regard to the guidance published by the Charity Commission.

The Society strives to inform the public and its members of the benefits of breeding South Devon cattle including for high welfare, nutritional and environmental concerns. It achieves this through its publications, website, social media platform, staging of publicity and information events, and participation at public industry events such as agricultural shows, exhibitions and open days. It sponsors youth activities and holds competitions specifically for younger members.

Through its work the Society promotes the South Devon breed as a grazing beef breed native to the UK, whose management helps to safeguard the environment in a high welfare, environmentally sustainable way by converting pasture to a high quality, healthy, consumable product.

The Society encourages its members to implement high biosecurity and welfare standards, and to protect their herds from a range of endemic cattle diseases by way of knowledge transfer and a financial incentive.

#### Review of activities

The year's activities were heavily influenced by the Covid-19 pandemic with most events having to be cancelled. Brexit negotiations continued to cast much uncertainty over the future of British agriculture; and the outline of governmental support was drafted in a new Agriculture Bill towards the end of the year. The pandemic led to a significant change in consumer buying trends, with a resurgence in local sourcing of clearly traceable high quality fresh food.

In the continuing very uncertain market conditions during this accounting period, female pedigree registrations were only slightly below 2019 although male registrations reduced by 10%. Pedigree transfers were clearly affected by the lack of public sales leading to a significant reduction of 45% during the period.

Member services included pedigree registrations, free performance recording, the administration of DNA testing, as well as a broad information service.

The Society's Spring Sale had to be cancelled due to the pandemic, but it proved possible to hold a successful Autumn Sale at Worcester. One herd dispersal sale at Exeter was supported with advertising and administration.

## South Devon Herd Book Society

### Trustees' Report

Routine DNA testing continued to contribute to the breed's on-going data collection as both part of on-going and future breeding programmes to include genomic information; and the female type classification scheme was made available to all South Devon breeders.

The Society made good use of on-line conference facilities to hold all its meetings after March, including the Annual General Meeting. This ability brought a reduction in costs and time resources for both staff and officers and meant that more frequent meetings could be held. The office could not be fully staffed between March and December due to social distancing regulations and staff welfare. Work was carried out predominantly from staff homes.

The Society's publications included: its own sale catalogue which was also published on its website; the breed Journal; semen lists; monthly BLUP evaluations; and thirteen newsletters.

The Society increased its financial incentives: to offer a free weight recording service to all members; to encourage a higher level of registrations at birth by offering credits against registration fees for non-breeding animals; to encourage membership of herd health schemes; and to subsidise the myostatin testing of registered bulls.

#### Financial review

The gross incoming resources for the year amounted to £203,221 (£262,986 in 2019). Total expenditure was £206,398 (£270,618 in 2019).

The results from the year from normal activities show a deficit of £3,177 compared to a deficit of £7,632 in the previous 12 months. There were net realised gains from investments of £4,955 (gains of £62,987 in 2019), resulting in a total net movement in funds of £1,778. The total investment portfolio value at the end of the year stood at £479,381 (£479,334 in 2019). Total charity funds at the end of the year stood at £588,889 (£587,111 at the end of 2019).

#### Statistical information/comment

<u>Membership</u>	<u>2020</u>	<u>2019</u>
Full	524	543
Associate & Retired	66	70
Life	34	34
Youth	2	2
Introductory	<u>18</u>	<u>5</u>
	<u>644</u>	<u>654</u>

<u>Registrations</u>	<u>2020</u>	<u>2019</u>	<u>Transfers</u>	<u>2020</u>	<u>2019</u>
Male	217	241	Male	98	131
Female	<u>2906</u>	<u>2973</u>	Female	<u>184</u>	<u>383</u>
	<u>3123</u>	<u>3214</u>		<u>282</u>	<u>514</u>

#### Investment Policy and Preference

The Society's investment objective is to maintain and enhance the value of the fixed assets over the long term to maintain and, if possible, to increase the income available for the purpose of the charity.

To achieve this objective the policy of the Society is to invest in a broad range of equities and fixed interest investments. The investments are regularly reviewed with the assistance of independent expertise and their performance compared with the appropriate indices.

#### Future Plans

A Business Plan is revised annually, which outlines the Society's objectives: to maintain the purity, improve the breeding, and promote the keeping of South Devon cattle in the United Kingdom or elsewhere in the world. Plans include the continued raising of standards at Society sales and the integrity of pedigree data; facilitating the availability of pedigree and other related information to members and non-members; encouraging the use of technical aids such as DNA testing, female type classification, and performance recording; promoting the breed to commercial beef producers; encouraging best practice in herd health; and a continuing project to build genomic predictors through DNA which is being evaluated by ABRI.

#### Risk Assessment

The Society's Risk Assessment has been reviewed in 2021, and a Register of Risks is maintained. Measures to reduce the exposure to risk are regularly reviewed. The Society has in place measures to acquire member permission for publication of their contact details on the website and in paper publications to protect personal data.

## **South Devon Herd Book Society**

### **Trustees' Report**

#### **Reserves Policy**

Unrestricted reserves at the end of the year totalled £588,889, of which £64,172 has been designated by the Trustees for particular purposes (as shown in the notes to the full accounts). This left general reserves of £524,717. The Trustees aim to maintain these reserves at a level sufficient to cover business running costs for a period of 12 months, taking into account the particular volatility of the agricultural industry. In addition, the policy is to keep surplus funds available for allocation to specific breed improvement and/or breed promotion activities as and when decided by the Trustees. Currently the Society is investing in one breed development project.

## South Devon Herd Book Society

### Trustees' Report

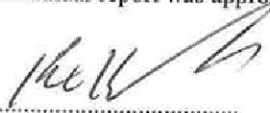
The trustees (who are also the directors of South Devon Herd Book Society for the purposes of company law) are responsible for preparing the trustees' report and the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of its incoming resources and application of resources, including its income and expenditure, for that period. In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and 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 charitable company will continue in business.

The trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The annual report was approved by the trustees of the charity on 30 March 2021 and signed on its behalf by:



.....  
E G Hawkins  
Trustee

## South Devon Herd Book Society

### Independent Examiner's Report to the trustees of South Devon Herd Book Society

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 December 2020 which are set out on pages 16 to 38.

#### Respective responsibilities of trustees and examiner

As the charity's trustees of South Devon Herd Book Society (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of South Devon Herd Book Society are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 Act.

#### Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe:

1. accounting records were not kept in respect of South Devon Herd Book Society as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities [applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)].

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.



Charlotte Gibbs BFP ACA  
Wortham Jaques Ltd  
Chartered Accountants and Charity Advisers

130a High Street  
Crediton  
Devon  
EX17 3 LQ

Date: 1 APRIL 2021

## South Devon Herd Book Society

### Statement of Financial Activities for the Year Ended 31 December 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2020 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	33,679	33,679
Charitable activities	4	145,336	145,336
Other trading activities	5	12,539	12,539
Investment income	6	<u>11,667</u>	<u>11,667</u>
Total income		<u>203,221</u>	<u>203,221</u>
<b>Expenditure on:</b>			
Raising funds	7	(8,862)	(8,862)
Charitable activities	8	<u>(197,536)</u>	<u>(197,536)</u>
Total expenditure		(206,398)	(206,398)
Gains/losses on investment assets		<u>4,955</u>	<u>4,955</u>
Net income		<u>1,778</u>	<u>1,778</u>
Net movement in funds		1,778	1,778
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>587,111</u>	<u>587,111</u>
Total funds carried forward	23	<u><u>588,889</u></u>	<u><u>588,889</u></u>

The notes on pages 13 to 32 form an integral part of these financial statements.

## South Devon Herd Book Society

### Statement of Financial Activities for the Year Ended 31 December 2020 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

	Note	Unrestricted funds £	Total 2019 £
<b>Income and Endowments from:</b>			
Donations and legacies	3	36,119	36,119
Charitable activities	4	171,374	171,374
Other trading activities	5	40,198	40,198
Investment income	6	<u>15,295</u>	<u>15,295</u>
Total income		<u>262,986</u>	<u>262,986</u>
<b>Expenditure on:</b>			
Raising funds	7	(21,110)	(21,110)
Charitable activities	8	<u>(249,508)</u>	<u>(249,508)</u>
Total expenditure		(270,618)	(270,618)
Gains/losses on investment assets		<u>62,987</u>	<u>62,987</u>
Net income		<u>55,355</u>	<u>55,355</u>
Net movement in funds		55,355	55,355
<b>Reconciliation of funds</b>			
Total funds brought forward		<u>531,756</u>	<u>531,756</u>
Total funds carried forward	23	<u><u>587,111</u></u>	<u><u>587,111</u></u>

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for 2020 and 2019 are shown in note 23.

**South Devon Herd Book Society**  
**(Registration number: 00035107)**  
**Balance Sheet as at 31 December 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	15	32,247	33,506
Investments	16	<u>479,381</u>	<u>479,334</u>
		<u>511,628</u>	<u>512,840</u>
<b>Current assets</b>			
Stocks	17	3,094	3,579
Debtors	18	53,022	53,552
Cash at bank and in hand	19	<u>65,354</u>	<u>62,057</u>
		121,470	119,188
<b>Creditors: Amounts falling due within one year</b>	20	<u>(44,209)</u>	<u>(44,917)</u>
<b>Net current assets</b>		<u>77,261</u>	<u>74,271</u>
<b>Net assets</b>		<u>588,889</u>	<u>587,111</u>
<b>Funds of the charity:</b>			
<b>Unrestricted income funds</b>			
Unrestricted funds		<u>588,889</u>	<u>587,111</u>
<b>Total funds</b>	23	<u>588,889</u>	<u>587,111</u>


For the financial year ending 31 December 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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

The financial statements on pages 16 to 38 were approved by the trustees, and authorised for issue on 30 March 2021 and signed on their behalf by:

  
 .....  
 E G Hawkins  
 Trustee

The notes on pages 13 to 32 form an integral part of these financial statements.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 1 Charity status

The charity is limited by guarantee, incorporated in England and Wales, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Westpoint  
Clyst St Mary  
Exeter  
Devon  
EX5 1DJ

These financial statements were authorised for issue by the trustees on 30 March 2021.

#### 2 Accounting policies

##### Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### Statement of compliance

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102). They also comply with the Companies Act 2006 and Charities Act 2011.

##### Basis of preparation

South Devon Herd Book Society meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

##### Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

##### Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

##### Income and endowments

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

## **South Devon Herd Book Society**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### ***Donations and legacies***

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

#### ***Donated services and facilities***

Where services or facilities are provided to the Charity as a donation that would normally be purchased from our suppliers, this benefit is included in the financial statements at its fair value unless its fair value cannot be reliably measured, then at the cost to the donor or the resale value of goods that are to be sold.

#### ***Investment income***

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. Dividends are recognised once the dividend has been declared and notification has been received of the dividend due.

#### ***Expenditure***

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

#### ***Raising funds***

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

#### ***Charitable activities***

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

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

Support costs include central functions and have been allocated to activity cost categories on a basis consistent with the use of resources, for example, allocating property costs by floor areas, or per capita, staff costs by the time spent and other costs by their usage.

#### ***Governance costs***

These include the costs attributable to the charity's compliance with constitutional and statutory requirements, including audit, strategic management and trustees's meetings and reimbursed expenses.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### Taxation

The charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

#### Tangible fixed assets

Individual fixed assets costing £100.00 or more (other than trophies) are initially recorded at cost. Trophies are recorded as a donation at valuation and are capitalised in the year of donation.

#### Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Show equipment and trophies	10% reducing balance
Office equipment	20% reducing balance
Computer equipment	20% reducing balance

#### Fixed asset investments

Fixed asset investments, other than programme related investments, are included at market value at the balance sheet date. Realised gains and losses on investments are calculated as the difference between sales proceeds and their market value at the start of the year, or their subsequent cost, and are charged or credited to the Statement of Financial Activities in the period of disposal.

Unrealised gains and losses represent the movement in market values during the year and are credited or charged to the Statement of Financial Activities based on the market value at the year end.

#### Stock

Stock is valued at the lower of cost and estimated selling price less costs to complete and sell, after due regard for obsolete and slow moving stocks. Cost is determined using the first-in, first-out (FIFO) method.

#### Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

#### Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

## **South Devon Herd Book Society**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Fund structure**

Unrestricted income funds are general funds that are available for use at the trustees's discretion in furtherance of the objectives of the charity.

Designated funds are unrestricted funds set aside for specific purposes at the discretion of the trustees.

#### **Pensions and other post retirement obligations**

The charity operates a defined contribution pension scheme which is a pension plan under which fixed contributions are paid into a pension fund and the charity has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised in the Statement of Financial Activities when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

#### **Financial instruments**

##### ***Classification***

Financial assets and financial liabilities are recognised when the charity becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the charity after deducting all of its liabilities.

## **South Devon Herd Book Society**

### **Notes to the Financial Statements for the Year Ended 31 December 2020**

#### ***Recognition and measurement***

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the charity intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the charity transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the charity, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 3 Income from donations and legacies

	Unrestricted funds General £	Total funds £
Donations and legacies;		
Donations from individuals	904	904
Regular giving and capital donations	32,775	32,775
<b>Total for 2020</b>	33,679	33,679
<b>Total for 2019</b>	36,119	36,119

#### 4 Income from charitable activities

	Unrestricted funds General £	Total funds £
Members' services	142,899	142,899
Breed development	2,437	2,437
<b>Total for 2020</b>	145,336	145,336
<b>Total for 2019</b>	171,374	171,374

#### 5 Income from other trading activities

	Unrestricted funds Designated £	General £	Total funds £
Trading income;			
Sales of goods and services	-	1,444	1,444
Other trading income	-	9,160	9,160
Lotteries and competitions income	968	967	1,935
<b>Total for 2020</b>	968	11,571	12,539
<b>Total for 2019</b>	2,872	37,326	40,198

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 6 Investment income

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Income from dividends;		
Dividends receivable from other listed investments	11,301	11,301
Interest receivable and similar income;		
Interest receivable on bank deposits	116	116
Interest receivable on other loans	250	250
<b>Total for 2020</b>	<b>11,667</b>	<b>11,667</b>
<b>Total for 2019</b>	<b>15,295</b>	<b>15,295</b>

#### 7 Expenditure on raising funds

##### a) Costs of generating donations and legacies

	<b>Note</b>	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Allocated support costs	9	387	387
<b>Total for 2020</b>		<b>387</b>	<b>387</b>
<b>Total for 2019</b>		<b>421</b>	<b>421</b>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### b) Costs of trading activities

	Note	Unrestricted funds General £	Total funds £
<b>Staff costs</b>			
Costs of goods sold		1,022	1,022
Lotteries and competitions		806	806
Allocated support costs	9	707	707
Staff Costs		<u>2,467</u>	<u>2,467</u>
<b>Total for 2020</b>		<u>5,002</u>	<u>5,002</u>
<b>Total for 2019</b>		<u>17,012</u>	<u>17,012</u>

#### c) Investment management costs

	Note	Unrestricted funds General £	Total funds £
Other investment management costs;			
Amounts payable to investment managers		<u>3,473</u>	<u>3,473</u>
<b>Total for 2020</b>		<u>3,473</u>	<u>3,473</u>
<b>Total for 2019</b>		<u>3,677</u>	<u>3,677</u>
			<b>Total costs £</b>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 8 Expenditure on charitable activities

	Note	Unrestricted funds General £	Total funds £
Members' services		44,550	44,550
Breed development		12,042	12,042
Breed promotion		5,530	5,530
Staff costs		89,343	89,343
Allocated support costs	9	33,693	33,693
Governance costs	9	12,378	12,378
<b>Total for 2020</b>		<u>197,536</u>	<u>197,536</u>
<b>Total for 2019</b>		<u>249,508</u>	<u>249,508</u>

	Activity undertaken directly £	Activity support costs £	Total expenditure £
Members' services	44,550	96,257	140,807
Breed development	12,042	11,444	23,486
Breed promotion	5,530	15,335	20,865
<b>Total for 2020</b>	<u>62,122</u>	<u>123,036</u>	<u>185,158</u>
<b>Total for 2019</b>	<u>101,669</u>	<u>133,005</u>	<u>234,674</u>

£185,158 (2019 - £234,674) of the above expenditure was attributable to unrestricted funds and £Nil (2019 - £Nil) to restricted funds.

In addition to the expenditure analysed above, there are also governance costs of £12,378 (2019 - £14,834) which relate directly to charitable activities. See note 9 for further details.

**South Devon Herd Book Society**

**Notes to the Financial Statements for the Year Ended 31 December 2020**

**9 Analysis of governance and support costs**

**Support costs allocated to raising funds**

	Basis of allocation	Information technology £	Staff costs £	Administration costs £	Premises costs including depreciation £	Total 2020 £
Costs of generating donations and legacies	A	16	988	226	145	1,375
Costs of trading activities	A	32	1,479	423	252	2,186
		48	2,467	649	397	3,561
				<b>Premises costs including depreciation</b>		
					<b>Other support costs</b>	
					£	£
					30	1,435
					15	2,338
					45	3,773
				<b>Premises costs including depreciation</b>		
					<b>Other support costs</b>	
					£	£
					120	1,435
					241	2,338
					361	3,773
				<b>Premises costs including depreciation</b>		
					<b>Other support costs</b>	
					£	£
					120	1,435
					241	2,338
					361	3,773

**South Devon Herd Book Society**

**Notes to the Financial Statements for the Year Ended 31 December 2020**

**Support costs allocated to charitable activities**

	Basis of allocation	Information technology £	Staff costs £	Administration costs £	Premises costs including depreciation £	Total 2020 £
Members' services	A	729	66,575	17,888	11,066	96,258
Breed development	A	64	9,899	954	527	11,444
Breed promotion	A	709	12,869	1,096	660	15,334
Governance	A	48	4,175	830	396	5,449
		<u>1,550</u>	<u>93,518</u>	<u>20,768</u>	<u>12,649</u>	<u>128,485</u>
	Basis of allocation	Information technology £	Administration costs £	Premises costs including depreciation £	Other support costs £	Total 2019 £
Members' services	A	759	24,057	11,105	-	105,138
Breed development	A	65	1,488	542	-	11,992
Breed promotion	A	735	1,606	677	-	15,875
Governance	A	49	3,047	406	28	3,530
		<u>1,608</u>	<u>30,198</u>	<u>12,730</u>	<u>28</u>	<u>136,535</u>

**Basis of allocation**

**Reference**

A The amounts allocated to each activity are determined by the demand each activity has for each support resource.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### Governance costs

	<b>Unrestricted funds General £</b>	<b>Total funds £</b>
Staff costs		
Wages and salaries	6,376	6,376
Social security costs	372	372
Pension costs	160	160
Other staff costs	21	21
Independent examiner fees		
Examination of the financial statements	2,700	2,700
Legal fees	35	35
Other governance costs	1,439	1,439
Allocated support costs	1,275	1,275
<b>Total for 2020</b>	<b>12,378</b>	<b>12,378</b>
<b>Total for 2019</b>	<b>14,834</b>	<b>14,834</b>

#### 10 Net incoming/outgoing resources

Net outgoing resources for the year include:

	<b>2020 £</b>	<b>2019 £</b>
Other non-audit services	2,700	1,950
Depreciation of fixed assets	1,259	1,512

#### 11 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

No trustees have received any reimbursed expenses or any other benefits from the charity during the year.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 12 Staff costs

The aggregate payroll costs were as follows:

	2020 £	2019 £
<b>Staff costs during the year were:</b>		
Wages and salaries	90,878	92,527
Social security costs	5,017	6,222
Pension costs	2,167	2,026
Other staff costs	677	697
	<u>98,739</u>	<u>101,472</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2020 No	2019 No
Charitable activities	<u>3</u>	<u>3</u>

3 (2019 - 3) of the above employees participated in the Defined Contribution Pension Schemes.

No employee received emoluments of more than £60,000 during the year.

#### 13 Independent examiner's remuneration

	2020 £	2019 £
Examination of the financial statements	<u>2,700</u>	<u>1,950</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 14 Taxation

The charity is a registered charity and is therefore exempt from taxation.

#### 15 Tangible fixed assets

	<b>Furniture and equipment £</b>	<b>Computer equipment £</b>	<b>Trophies and show equipment £</b>	<b>Total £</b>
<b>Cost</b>				
At 1 January 2020	<u>13,909</u>	<u>22,177</u>	<u>33,208</u>	<u>69,294</u>
At 31 December 2020	<u>13,909</u>	<u>22,177</u>	<u>33,208</u>	<u>69,294</u>
<b>Depreciation</b>				
At 1 January 2020	13,716	18,281	3,791	35,788
Charge for the year	<u>39</u>	<u>778</u>	<u>442</u>	<u>1,259</u>
At 31 December 2020	<u>13,755</u>	<u>19,059</u>	<u>4,233</u>	<u>37,047</u>
<b>Net book value</b>				
At 31 December 2020	<u>154</u>	<u>3,118</u>	<u>28,975</u>	<u>32,247</u>
At 31 December 2019	<u>193</u>	<u>3,896</u>	<u>29,417</u>	<u>33,506</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 16 Fixed asset investments

##### Other investments

	Listed investments £	Cash deposits and unlisted investments £	Total £
<b>Cost or Valuation</b>			
At 1 January 2020	467,624	11,710	479,334
Revaluation	21,563	-	21,563
Additions	94,980	112,936	207,916
Disposals	(118,414)	(111,018)	(229,432)
At 31 December 2020	465,753	13,628	479,381
<b>Net book value</b>			
At 31 December 2020	465,753	13,628	479,381
At 31 December 2019	467,624	11,710	479,334

#### 17 Stock

	2020 £	2019 £
Stocks	3,094	3,579

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 18 Debtors

	2020 £	2019 £
Trade debtors	42,562	35,889
Prepayments	4,429	4,265
Other debtors	6,031	13,398
	53,022	53,552

Debtors includes £2,997 (2019: £2,997) receivable after more than one year.

#### 19 Cash and cash equivalents

	2020 £	2019 £
Cash on hand	503	938
Cash at bank	64,851	61,119
	65,354	62,057

#### 20 Creditors: amounts falling due within one year

	2020 £	2019 £
Trade creditors	23,673	22,577
Other taxation and social security	8,030	6,064
Other creditors	5,365	11,108
Accruals	3,571	3,388
Deferred income	3,570	1,780
	44,209	44,917
	<b>2020</b> £	<b>2019</b> £
Deferred income at 1 January 2020	1,780	2,090
Resources deferred in the period	2,100	-
Amounts released from previous periods	(310)	(310)
Deferred income at year end	3,570	1,780

Deferred income includes:

Life membership subscription income released over 10 years with a total unexpired value of £1,470; and £2,100 received during this year as sponsorship for the National Show, which has been postponed until 2021. It has been agreed with the sponsors to hold this money until next year.

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### 21 Pension and other schemes

##### Defined contribution pension scheme

The charity operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the charity to the scheme and amounted to £2,167 (2019 - £2,026).

#### 22 Contingent liabilities

Registration fees paid will be credited upon application by the breeder who paid the registration fee where registered animals have been slaughtered before they are 30 months old. All applications must be made within 4 months of the animal's slaughter. The Society estimates the contingent liability arising to be in the region of £10,000 per year.

#### 23 Funds

	Balance at 1 January 2020 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2020 £
<b>Unrestricted funds</b>					
<i>General</i>					
Unrestricted funds	523,907	202,253	(206,398)	4,955	524,717
<i>Designated</i>					
National show	9,984	968	-	-	10,952
Genomic predictor	53,220	-	-	-	53,220
	<u>63,204</u>	<u>968</u>	<u>-</u>	<u>-</u>	<u>64,172</u>
<b>Total funds</b>	<u>587,111</u>	<u>203,221</u>	<u>(206,398)</u>	<u>4,955</u>	<u>588,889</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2020

	Balance at 1 January 2019 £	Incoming resources £	Resources expended £	Other recognised gains/(losses) £	Balance at 31 December 2019 £
<b>Unrestricted funds</b>					
<i>General</i>					
Unrestricted funds	471,424	260,114	(270,618)	62,987	523,907
<i>Designated</i>					
National show	7,112	2,872	-	-	9,984
Genomic predictor	53,220	-	-	-	53,220
	<u>60,332</u>	<u>2,872</u>	<u>-</u>	<u>-</u>	<u>63,204</u>
<b>Total funds</b>	<u>531,756</u>	<u>262,986</u>	<u>(270,618)</u>	<u>62,987</u>	<u>587,111</u>

The specific purposes for which the funds are to be applied are as follows:

#### Designated Funds

##### National Show

Allocation of half the proceeds from the Auction of Promises (£2,000) together with the Club fund net income towards the costs of the 2021 National Show.

##### DNA Research

Council agreed in September 2014 to set aside up to £60,000 from the Society's reserves towards this project and the costs have amounted to £900 to date.

#### 24 Analysis of net assets between funds

	Unrestricted funds		Total funds at 31 December 2020 £
	General £	Designated £	
Tangible fixed assets	32,247	-	32,247
Fixed asset investments	475,166	-	475,166
Current assets	58,495	60,332	118,827
Current liabilities	<u>(44,209)</u>	<u>-</u>	<u>(44,209)</u>
<b>Total net assets</b>	<u>521,699</u>	<u>60,332</u>	<u>582,031</u>

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2020

	Unrestricted funds		Total funds at
	General	Designated	31 December
	£	£	2019 £
Tangible fixed assets	33,506	-	33,506
Fixed asset investments	479,334	-	479,334
Current assets	58,856	60,332	119,188
Current liabilities	(44,917)	-	(44,917)
<b>Total net assets</b>	<b>526,779</b>	<b>60,332</b>	<b>587,111</b>

#### 25 Related party transactions

During the year the charity made the following related party transactions:

##### **A Bartley**

(Trustee)

Purchases from the Society at arms-length value £517. At the balance sheet date the amount due from A Bartley was £130 (2019 - £Nil).

##### **T J Bastard**

(Trustee)

Purchases from the Society at arms-length value £708. At the balance sheet date the amount due to/from T J Bastard was £Nil (2019 - £Nil).

##### **S A Brooks**

(Trustee since 24 March 2020)

Purchases from the Society at arms-length value £124. At the balance sheet date the amount due to/from S A Brooks was £Nil (2019 - £Nil).

##### **E J Bunkum**

(Trustee since 24 March 2020)

Purchases from the Society at arms-length value £1,489. At the balance sheet date the amount due to E J Bunkum was £36 (2019 - £Nil).

##### **J C Coward**

(Trustee until 24 March 2020)

Purchases from the Society at arms-length value £72. At the balance sheet date the amount due to/from J C Coward was £Nil (2019 - £Nil).

##### **R A Ford**

(Trustee)

Purchases from the Society at arms-length value £622. At the balance sheet date the amount due from R A Ford was £550 (2019 - £384).

##### **R E Hadley**

(Trustee)

Purchases from the Society at arms-length value £343. At the balance sheet date the amount due from R E Hadley was £130 (2019 - £Nil).

##### **R V Hartshorn**

(Trustee)

Purchases from the Society at arms-length value £493. At the balance sheet date the amount due to/from R V Hartshorn was £Nil (2019 - £Nil).

## South Devon Herd Book Society

### Notes to the Financial Statements for the Year Ended 31 December 2020

#### **R R B Harvey**

(Trustee until 24 March 2020)

Purchases from the Society at arms-length value £84. At the balance sheet date the amount due to/from R R B Harvey was £Nil (2019 - £Nil).

#### **E G Hawkins**

(Trustee since 24 March 2020)

Purchases from the Society at arms-length value £1,259. At the balance sheet date the amount due from E G Hawkins was £482 (2019 - £Nil).

#### **G T L Hocking**

(Trustee)

Purchases from the Society at arms-length value £335. At the balance sheet date the amount due from G T L Hocking was £72 (2019 - £Nil).

#### **D L Irving**

(Trustee)

Purchases from the Society at arms-length value £785. At the balance sheet date the amount due from D L Irving was £70 (2019 - £18).

#### **D P Nixey**

(Trustee since 24 March 2020.)

Purchases from the Society at arms-length value £252. At the balance sheet date the amount due to/from D P Nixey was £Nil (2019 - £Nil).

#### **A L Pascoe**

(Trustee)

Purchases from the Society at arms-length value £352. At the balance sheet date the amount due to/from A L Pascoe was £Nil (2019 - £Nil).

#### **O W T Rounsevell**

(Trustee)

Purchases from the Society at arms-length value £87. At the balance sheet date the amount due to/from O W T Rounsevell was £Nil (2019 - £Nil).

#### **D M Thomas**

(Trustee until 24 March 2020)

Purchases from the Society at arms-length value £316. At the balance sheet date the amount due to/from D M Thomas was £Nil (2019 - £Nil).

#### **A T Threlkeld**

(Trustee)

Purchases from the Society at arms-length value £72. At the balance sheet date the amount due to/from from A T Threlkeld was £Nil (2019 - £425).

#### **J F Tucker**

(Trustee)

Purchases from the Society at arms-length value £72. At the balance sheet date the amount due to/from J F Tucker was £Nil (2019 - £Nil).

#### **J W J Virgin**

(Trustee)

Purchases from the Society at arms-length value £732. At the balance sheet date the amount due from J W J Virgin was £338 (2019 - £Nil).

#### **J M White**

(Trustee)

Purchases from the Society at arms-length value £559. At the balance sheet date the amount due to/from from J M White was £Nil (2019 - £2,301).