

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 31st 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 21st 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 2nd November 1891. It was registered with the Charity Commission (number 24166) on 6th 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.

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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 £
Income and Endowments from:			
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		<u>233,829</u>	<u>233,829</u>
Expenditure on:			
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		<u>(54,695)</u>	<u>(54,695)</u>
Net movement in funds		(54,695)	(54,695)
Reconciliation of funds			
Total funds brought forward		<u>643,744</u>	<u>643,744</u>
Total funds carried forward	25	<u><u>589,049</u></u>	<u><u>589,049</u></u>

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 £
Income and Endowments from:			
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		<u>199,012</u>	<u>199,012</u>
Expenditure on:			
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		<u>69,939</u>	<u>69,939</u>
Net income		<u>54,855</u>	<u>54,855</u>
Net movement in funds		54,855	54,855
Reconciliation of funds			
Total funds brought forward		<u>588,889</u>	<u>588,889</u>
Total funds carried forward	25	<u><u>643,744</u></u>	<u><u>643,744</u></u>

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 £
Fixed assets			
Tangible assets	15	32,558	31,194
Investments	16	485,224	544,731
		<u>517,782</u>	<u>575,925</u>
Current assets			
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
Creditors: Amounts falling due within one year	20	(46,152)	(46,630)
Net current assets		<u>71,267</u>	<u>67,819</u>
Net assets		<u>589,049</u>	<u>643,744</u>
Funds of the charity:			
Unrestricted income funds			
Unrestricted funds		532,607	507,948
Revaluation reserve		56,442	135,796
Total unrestricted funds		<u>589,049</u>	<u>643,744</u>
Total funds	25	<u>589,049</u>	<u>643,744</u>

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

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

4 Income from charitable activities

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

South Devon Herd Book Society

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

5 Income from other trading activities

	Unrestricted funds Designated £	General £	Total funds £
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
Total for 2022	<u>8,510</u>	<u>15,332</u>	<u>23,842</u>
Total for 2021	<u>975</u>	<u>13,042</u>	<u>14,017</u>

6 Investment income

	Unrestricted funds General £	Total funds £
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
Total for 2022	<u>11,841</u>	<u>11,841</u>
Total for 2021	<u>11,249</u>	<u>11,249</u>

7 Expenditure on raising funds

a) Costs of generating donations and legacies

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

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
Total for 2022		<u>4,123</u>	<u>4,123</u>
Total for 2021		<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
Total for 2022		<u>3,924</u>	<u>3,924</u>
Total for 2021		<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
Total for 2022		<u>3,828</u>	<u>220,928</u>	<u>224,756</u>
Total for 2021		<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
Total for 2022	<u>86,737</u>	<u>123,588</u>	<u>210,325</u>
Total for 2021	<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 Designated £	General £	Total funds £
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
Total for 2022	<u>3,828</u>	<u>82,909</u>	<u>86,737</u>
Total for 2021	<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

		Information technology £	Staff costs £	Administration costs £	Premises costs including depreciation £	Total 2022 £
	Basis of allocation					
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
		49	2,420	644	372	3,485
					Premises costs including depreciation £	Total 2021 £
	Basis of allocation		Staff costs £	Administration costs £		
Costs of generating donations and legacies	A		978	222	134	1,334
Costs of trading activities	A		1,461	444	238	2,143
			2,439	666	372	3,477

South Devon Herd Book Society

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

Support costs allocated to charitable activities

		Information technology £	Staff costs £	Administration costs £	Premises costs including depreciation £	Total 2022 £
	Basis of allocation					
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
		<u>1,389</u>	<u>95,103</u>	<u>24,630</u>	<u>12,276</u>	<u>133,398</u>
					Premises costs including depreciation £	Total 2021 £
	Basis of allocation					
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
		<u>1,843</u>	<u>88,540</u>	<u>20,511</u>	<u>12,089</u>	<u>122,983</u>

Basis of allocation

Reference

A

Method of allocation

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

	Unrestricted funds General £	Total funds £
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
Total for 2022	<u>14,431</u>	<u>14,431</u>
Total for 2021	<u>11,596</u>	<u>11,596</u>

10 Net incoming/outgoing resources

Net outgoing resources for the year include:

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

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:

	2022 £	2021 £
Staff costs during the year were:		
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
	<u>97,523</u>	<u>97,879</u>

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:

	2022 No	2021 No
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

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

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

20 Creditors: amounts falling due within one year

	2022 £	2021 £
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
	<u>46,152</u>	<u>46,630</u>
	2022 £	2021 £
Deferred income at 1 January 2022	3,260	3,570
Amounts released from previous periods	(2,410)	(310)
Deferred income at year end	<u>850</u>	<u>3,260</u>

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 £
Land and buildings		
Within one year	<u>6,758</u>	<u>10,600</u>
Other		
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

	Unrestricted revaluation reserve £	Total £
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>

	Unrestricted revaluation reserve £	Total £
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

	Balance at 1 January 2022 £	Incoming resources £	Resources expended £	Transfers £	Other recognised gains/(losses) £	Balance at 31 December 2022 £
Unrestricted funds						
<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>
Total funds	<u>643,744</u>	<u>233,829</u>	<u>(234,148)</u>	<u>-</u>	<u>(54,376)</u>	<u>589,049</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 £
Unrestricted funds					
<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>
Total funds	<u>588,889</u>	<u>199,012</u>	<u>(214,096)</u>	<u>69,939</u>	<u>643,744</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)
Total net assets	<u>519,924</u>	<u>69,733</u>	<u>589,657</u>

	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)
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 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).