

Charity registration number 266713

Company registration number 00035585 (England and Wales)

THE SOUTHDOWN SHEEP SOCIETY

ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

THE SOUTHDOWN SHEEP SOCIETY

LEGAL AND ADMINISTRATIVE INFORMATION

President	Sarah Mitchell	
President Elect	Graham Ryves-Webb	
Members of Council		
Chairman of Council	Jonathan Long	
Vice Chairman	Howard Wood	
Honorary Treasurer	Neil Stainthorpe	
Other members	Brian Alderson Sidney Cook Lindsay Dane Patrick Goldsworthy MBE Stephen Humphrey Tim Morris Les Newman Sarah Mitchell Michael Sprake William Morton Graham Ryves-Webb Mark Robertson Jessica Middleditch John Williams	 (Appointed 18 October 2023) (Appointed 18 October 2023)
Secretary	Mrs G Sprake	
Charity number	266713	
Company number	00035585	
Registered office	Meens Farm Capps Lane All Saints HALESWORTH Suffolk IP19 0PD	
Independent examiner	Rachel Randall LLB FCA 4 Lime Tree Road North Walsham NR28 9DY	
Accountants	Newman and Co 4b Church Street Diss Norfolk IP22 4DD	

THE SOUTHDOWN SHEEP SOCIETY

CONTENTS

	Page
Directors' report	1 - 2
Independent examiner's report	3
Statement of financial activities	4
Balance sheet	5
Notes to the financial statements	6 - 12

THE SOUTHDOWN SHEEP SOCIETY

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors present their annual report and financial statements for the year ended 31 December 2023.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's governing document, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The Council has referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. In particular, the Council consider how planned activities will contribute to the aims and objective they have set.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

a. REVIEW OF ACTIVITIES

The Southdown Sheep Society has engaged in activities during 2023 in order to promote the breed and encourage and increase membership and the registration of breeding sheep. The Society's National Show was held at the Lincolnshire Show in June, the premier sale was held at Worcester, with a further sale at Melton Mowbray and the society's AGM was held at Stoneleigh in October.

b. INVESTMENT POLICY AND PERFORMANCE

The Council has considered the most appropriate policy for investing funds and has found that CCLA Investment Management Ltd COIF Charity Funds and Cambridge and Counties Bank meet their requirements to general income.

Financial review

a. RESERVES POLICY

The Council has established a policy to maintain unrestricted fund which are free reserves of the charity at a level which equates to approximately twenty four months unrestricted expenditure. This provides sufficient funds to cover management administration and support costs.

The balance held as unrestricted at 31 December 2023 was £68,877, of which £68,818 are regarded as free reserves, after allowing for funds tied up in tangible fixed assets. The Council consider that sufficient unrestricted resources are held.

Plans for future periods

a. FUTURE DEVELOPMENTS

The Society plans to continue the activities as authorised above in the forthcoming years subject to satisfactory funding arrangements. The Council continues to review income and expenditure to ensure it meets the needs and expectations of the membership with an emphasis on promoting the breed for the benefit of the membership.

Structure, governance and management

a. CONSTITUTION

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 6 January 1892 (and amended on 19 September 2020).

The purpose of the company is to encourage the breeding of Southdown Sheep and the maintenance of the purity of the breed and to this purpose the compilation and publication of a flock book and the arrangement of shows and classes for which prizes may be donated or augmented.

The obligations of the members are to pay the Society an annual subscription according to the scale determined by the Council.

There have been no changes in the charitable purposes since the last annual report.

THE SOUTHDOWN SHEEP SOCIETY

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

The directors who served during the year and up to the date of signature of the financial statements were:

Jonathan Long

Howard Wood

Neil Stainthorpe

Brian Alderson

Sidney Cook

Lindsay Dane

Patrick Goldsworthy MBE

Paul Humphrey

(Resigned 18 October 2023)

Stephen Humphrey

Tim Morris

Les Newman

Sarah Mitchell

Michael Sprake

William Morton

Graham Ryves-Webb

Mark Robertson

Jessica Middleditch

(Appointed 18 October 2023)

John Williams

(Appointed 18 October 2023)

b. METHOD OF APPOINTMENT OR ELECTION OF COUNCIL MEMBERS

The Society is managed on a daily basis by the chairman and the company secretary.

The management of the company is the responsibility of the Council members who are elected and co-opted under the terms of the Articles of Association, as amended on 19 September 2020.

The directors' report was approved by the Board of Directors.

.....

Mr Jonathan Long

Chairman

Date:

THE SOUTHDOWN SHEEP SOCIETY

INDEPENDENT EXAMINER'S REPORT

TO THE DIRECTORS OF THE SOUTHDOWN SHEEP SOCIETY

I report to the directors on my examination of the financial statements of The Southdown Sheep Society (the charity) for the year ended 31 December 2023.

Responsibilities and basis of report

As the directors of the charity you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 (the 2006 Act).

Having satisfied myself that the financial statements of the charity 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 the charity's financial statements carried out under section 145 of the Charities Act 2011 (the 2011 Act). In carrying out my examination I have followed all the applicable 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 that in any material respect:

- 1 accounting records were not kept in respect of the charity as required by section 386 of the 2006 Act; or
- 2 the financial statements do not accord with those records; or
- 3 the financial statements 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 financial statements 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 financial statements to be reached.

Rachel Randall LLB FCA
4 Lime Tree Road
North Walsham
NR28 9DY

Date.....

THE SOUTHDOWN SHEEP SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2023

	Notes	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from:			
Donations and legacies	3	2,170	2,475
Charitable activities	4	34,546	26,349
Other trading activities	5	77	341
Investments	6	1,007	435
Repayment of legal fees from insurers		-	8,510
Total income		37,800	38,110
Charitable activities	7	22,686	22,795
Other expenditure	10	4,969	5,653
Total expenditure		27,655	28,448
Net income and movement in funds		10,145	9,662
Reconciliation of funds:			
Fund balances at 1 January 2023		58,732	49,070
Fund balances at 31 December 2023		68,877	58,732

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

THE SOUTHDOWN SHEEP SOCIETY

BALANCE SHEET

AS AT 31 DECEMBER 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Tangible assets	12		59		79
Current assets					
Stocks	13	100		125	
Debtors	14	7,607		6,027	
Cash at bank and in hand		67,281		60,233	
		<u>74,988</u>		<u>66,385</u>	
Creditors: amounts falling due within one year	15	<u>6,170</u>		<u>7,732</u>	
Net current assets			68,818		58,653
Total assets less current liabilities			<u>68,877</u>		<u>58,732</u>
The funds of the charity					
Unrestricted funds			68,877		58,732
			<u>68,877</u>		<u>58,732</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 December 2023.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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

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

The financial statements were approved by the directors on

.....
Jonathan Long
Chairman

.....
Neil Stainthorpe
Honorary Treasurer

Company registration number 00035585 (England and Wales)

THE SOUTHDOWN SHEEP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

The Southdown Sheep Society is a private company limited by guarantee incorporated in England and Wales. The registered office is Meens Farm, Capps Lane, All Saints, HALESWORTH, Suffolk, IP19 0PD.

1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's governing document, the Companies Act 2006, FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

The charity has taken advantage of the provisions in the SORP for charities not to prepare a Statement of Cash Flows.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

1.4 Income

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

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

Income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

Income from investments by way of bank interest is recognised based on the period the interest accrues in.

THE SOUTHDOWN SHEEP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges are allocated on the portion of the asset's use.

1.6 Tangible fixed assets

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

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

Plant and equipment	25% on reducing balance
Fixtures and fittings	25% on reducing balance

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of financial activities.

1.7 Impairment of fixed assets

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

1.8 Stocks

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

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.9 Cash and cash equivalents

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

1.10 Financial instruments

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

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

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

THE SOUTHDOWN SHEEP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

Basic financial assets

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

Basic financial liabilities

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

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

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

Derecognition of financial liabilities

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

1.11 Limited by guarantee

The company is limited by guarantee whereby the members of the company guarantee the liabilities of the company to the extent of £1 per member.

2 Critical accounting estimates and judgements

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

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

3 Income from donations and legacies

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Donations and gifts	106	473
Gift aid reclaimable	2,064	2,002
	<u>2,170</u>	<u>2,475</u>

THE SOUTHDOWN SHEEP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

4 Income from charitable activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Charitable activities		
Subscriptions	17,844	11,967
Registrations *	14,151	13,251
Publications	835	1,056
Flock competition	200	75
Show prize money	115	-
Sales levies	1,401	-
	34,546	26,349
* Income from registrations		
Ram entries	3,835	3,602
Ewe entries	6,897	7,585
Late ram entries	515	284
Late ewe entries	2,793	1,636
Other	-	30
Pedigree certificates	111	114
	14,151	13,251

5 Income from other trading activities

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Merchandise sales	77	341

6 Income from investments

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Bank interest receivable	1,007	422
Gift aid repayment interest	-	13
	1,007	435

THE SOUTHDOWN SHEEP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

7 Expenditure on charitable activities

	Charitable activities 2023 £	Charitable activities 2022 £
Direct costs		
Competition expenses	596	529
Merchandise	-	100
Show and field day expenses	449	498
Flock book printing	2,150	2,300
Newsletter	960	2,040
Postage	1,960	1,837
Printing and stationery	486	291
Veterinary fees	359	389
Website and advertising expenses	2,626	2,916
Motor and travel expenses	790	1,401
Legal and professional fees	-	743
Secretary's fees	10,313	9,751
Year book	1,500	-
Trophies	312	-
Sponsorship	165	-
Other charitable expenditure	20	-
	22,686	22,795
Analysis by fund		
Unrestricted funds	22,686	22,795

8 Directors

None of the directors (or any persons connected with them) received any remuneration during the year, but one of them was reimbursed a total of £178 travelling expenses (2022 - no one was reimbursed).

Accountancy fees of £1,000 (2022 £nil) have been paid to Waveney Accountants Limited of which one of our council members is a director. The fees charged are at or below previous accountancy costs.

9 Employees

The average monthly number of employee equivalents during the year was:

2023 Number	2022 Number
1	1

There were no employees whose annual remuneration was more than £60,000.

Remuneration of key management personnel

No remuneration or expenses were provided to society members during the year.

THE SOUTHDOWN SHEEP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

10 Other expenditure

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Communication and IT costs	897	1,611
Depreciation	20	26
Sundry	-	13
Subscriptions	160	145
Merchandise (ties)	25	1,082
Independent examination and accountancy fees	2,240	1,218
Insurance	1,048	829
Cost of council meetings	579	729
	<u>4,969</u>	<u>5,653</u>

11 Taxation

The charity is exempt from taxation on its activities because all its income is applied for charitable purposes.

12 Tangible fixed assets

	Plant and equipment £	Fixtures and fittings £	Total £
Cost			
At 1 January 2023	1,126	1,800	2,926
At 31 December 2023	<u>1,126</u>	<u>1,800</u>	<u>2,926</u>
Depreciation and impairment			
At 1 January 2023	1,123	1,724	2,847
Depreciation charged in the year	<u>1</u>	<u>19</u>	<u>20</u>
At 31 December 2023	<u>1,124</u>	<u>1,743</u>	<u>2,867</u>
Carrying amount			
At 31 December 2023	<u>2</u>	<u>57</u>	<u>59</u>
At 31 December 2022	<u>3</u>	<u>76</u>	<u>79</u>

13 Stocks

	2023 £	2022 £
Raw materials and consumables	<u>100</u>	<u>125</u>

THE SOUTHDOWN SHEEP SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

14 Debtors

	2023	2022
	£	£
Amounts falling due within one year:		
Trade debtors	7,607	6,027
	<u>7,607</u>	<u>6,027</u>

15 Creditors: amounts falling due within one year

	2023	2022
	£	£
Other creditors	5,170	7,732
Accruals and deferred income	1,000	-
	<u>6,170</u>	<u>7,732</u>

16 Unrestricted funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	At 1 January 2023	Incoming resources	Resources expended	At 31 December 2023
	£	£	£	£
General funds	58,732	37,800	(27,655)	68,877
	<u>58,732</u>	<u>37,800</u>	<u>(27,655)</u>	<u>68,877</u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	At 31 December 2022
	£	£	£	£
General funds	49,070	38,110	(28,448)	58,732
	<u>49,070</u>	<u>38,110</u>	<u>(28,448)</u>	<u>58,732</u>

17 Related party transactions

There were no disclosable related party transactions during the year (2022 - none).