

Report of the Trustees and  
Unaudited Financial Statements for the Year Ended 31 December 2020  
for  
British Charollais Sheep Society Limited

Contents of the Financial Statements  
for the year ended 31 December 2020

	Page
Report of the Trustees	1 to 3
Independent Examiner's Report	4
Statement of Financial Activities	5
Balance Sheet	6 to 7
Notes to the Financial Statements	8 to 14
Detailed Statement of Financial Activities	15 to 16

Report of the Trustees  
for the year ended 31 December 2020

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 December 2020. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

#### OBJECTIVES AND ACTIVITIES

##### Objectives and aims

The Charity's primary purposes are:

1. To promote the science and practice of agriculture by encouraging and improving efficient breeding in the United Kingdom of Charollais sheep.
2. To undertake research in the subject of sheep breeding and matters relating thereto and to publish the results of such research.
3. The Charity is organised so that the trustees meet regularly to manage its affairs. The administrative functions are carried out by the Company Secretary.

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

#### COVID-19 AND going concern

In common with other charities and the economy in general, the charity's activities were affected by the global Coronavirus pandemic which started in Wuhan, Hubei Province in China and led to restrictions on movement of individuals and the activities of business and charities in the UK from late March 2020.

In accordance with government instructions and guidance the Charity has been unable to participate in all its usual activity, with agricultural shows and specialist events being cancelled, at which the Society would have promoted the breed to potential customers. However support from our current members has remained constant.

At the time these accounts are being signed off, restrictions regarding social distancing and gatherings of individuals remain in place, positive cases of the virus remain high but the vaccination process is well underway and it is looking hopeful that restrictions will soon start to ease again. It is not known at this stage whether the current government measures will resolve things satisfactorily, nor how long that may take. We are thankful that livestock auction markets are able to trade, albeit under covid restrictions.

Against this backdrop it is much harder than normal to make confident predictions about the future. The Trustees and management of the Charity have considered and reviewed the issues and as far as they are able, taking all foreseeable factors into account, and by using known data such as:-

- Current bank reserves
- Current income from charitable activities

are of the opinion that the Charity will continue in operation for 12 months from the date of signing of this Trustees' report and these accounts and that accordingly it is reasonable for the financial statements to have been prepared using the going concern concept.

#### Public benefit

BCSS (The British Charollais Sheep Society) works to advance science by the encouragement, promotion and improvement of the breeding of Charollais Sheep in the United Kingdom of Great Britain and Northern Ireland and elsewhere. This is achieved by the maintenance of the purity of the breed and with a view thereto if and so far as may be thought fit, to purchase, import, breed or otherwise acquire and hold, resell or otherwise deal in charollais sheep whether of British or foreign origin. It is further achieved by the advancement of citizenship or community development, by supporting and promoting the interests of those who breed Charollais Sheep, and the advancement of education through the development of individual capabilities, skills and understanding by providing training and broader education in relation to the farming of Charollais Sheep.

#### ACHIEVEMENT AND PERFORMANCE

##### Charitable activities

The trustees consider that the performance of the Charity this year has been good. No major changes to the way the Charity operates or its objectives are envisaged in the forthcoming year.

Report of the Trustees  
for the year ended 31 December 2020

ACHIEVEMENT AND PERFORMANCE

Investment policy and returns

Under the memorandum and articles of association, the Charity has the power to make any investment which the trustees see fit. The trustees have considered the most appropriate policy for investing funds and consider returns on investments during the year to be satisfactory.

FINANCIAL REVIEW

Principal funding sources

The principal funding sources are receipts from members in the form of subscriptions, registration fees and sales fees / commissions.

Reserves policy

The Trustees consider and review the requirements on an annual basis to establish a reserves policy allowing adequate support for the continuation of the Charity's work. The current level of reserves are deemed to be satisfactory for this purpose.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The Charity is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 2 December 1977.

Recruitment and appointment of new trustees

To be eligible for appointment as a trustee individuals need to be registered flockholders. Potential trustees are proposed by members with selection by sealed ballot papers where there are more nominations than vacancies. The appointments are announced at the Annual General Meeting.

Related parties

Related party transactions are disclosed in the notes to the financial statements.

Risk management and reserves

The trustees have assessed the major risks to which the Charity is exposed, in particular those that could effect the operations and finances of the Charity going forward. This has brought them to the conclusions and the potential mitigations and solutions listed below. The question of Brexit and our ongoing relationship with Europe has now been resolved. However alterations in the movement arrangements for animals to Northern Ireland and EU countries will cause disruption in this market. The market returns for sheep meat during the year have remained buoyant, which should bode well for sales in 2021. With the lack of shows and specialist events more effort and expenditure will be deployed with social media.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

01341920 (England and Wales)

Registered Charity number

282757

Registered office

Crogham Farm

Youngman's Road

WYMONDHAM

Norfolk

NR18 0RR

British Charollais Sheep Society Limited

Report of the Trustees  
for the year ended 31 December 2020

Trustees

C Sercombe

J Clanachan (resigned 15.9.2020)

D Prichard Evans

W Mcallister

C W Thomas

A B Pedrick

A Thomas

D Norman

R A Gray (appointed 15.9.2020)

S Dunkley (appointed 15.9.2020)

Company Secretary

C A Barber

Independent Examiner

Argents Chartered Accountants

15 Palace Street

NORWICH

Norfolk

NR3 1RT

Approved by order of the board of trustees on 20 April 2021 and signed on its behalf by:

A Thomas - Trustee

Independent Examiner's Report to the Trustees of  
British Charollais Sheep Society Limited

Independent examiner's report to the trustees of British Charollais Sheep Society Limited ('the Company')

I report to the charity trustees on my examination of the accounts of the Company for the year ended 31 December 2020.

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 the Company 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.



Mark Johnstone, FCA  
Argents Chartered Accountants  
15 Palace Street  
NORWICH  
Norfolk  
NR3 1RT

29 April 2021

Statement of Financial Activities  
for the year ended 31 December 2020

		2020 Unrestricted funds £	2019 Total funds £
	Notes		
INCOME AND ENDOWMENTS FROM			
Donations and legacies	2	3,123	4,018
Charitable activities	5		
Charitable activities		148,574	169,728
Other trading activities	3	807	1,846
Investment income	4	6,230	8,375
Total		<u>158,734</u>	<u>183,967</u>
EXPENDITURE ON			
Raising funds		20,257	30,280
Charitable activities	6		
Charitable activities		89,102	109,974
Other costs	9	28,132	41,620
Total		<u>137,491</u>	<u>181,874</u>
Net gains on investments		<u>849</u>	<u>30,030</u>
NET INCOME		<u>22,092</u>	<u>32,123</u>
RECONCILIATION OF FUNDS			
Total funds brought forward		337,631	305,508
TOTAL FUNDS CARRIED FORWARD		<u><u>359,723</u></u>	<u><u>337,631</u></u>

Balance Sheet  
31 December 2020

		2020 Unrestricted funds £	2019 Total funds £
	Notes		
FIXED ASSETS			
Tangible assets	12	4,613	6,565
Investments	13	263,990	263,116
		<u>268,603</u>	<u>269,681</u>
CURRENT ASSETS			
Stocks	14	5,969	5,824
Debtors	15	12,296	17,477
Cash at bank		84,880	48,811
		<u>103,145</u>	<u>72,112</u>
CREDITORS			
Amounts falling due within one year	16	(12,025)	(4,162)
		<u></u>	<u></u>
NET CURRENT ASSETS		<u>91,120</u>	<u>67,950</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>359,723</u>	<u>337,631</u>
NET ASSETS		<u>359,723</u>	<u>337,631</u>
FUNDS	17		
Unrestricted funds		<u>359,723</u>	<u>337,631</u>
TOTAL FUNDS		<u>359,723</u>	<u>337,631</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 December 2020.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 December 2020 in accordance with Section 476 of the Companies Act 2006.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.



Balance Sheet - continued  
31 December 2020

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

The financial statements were approved by the Board of Trustees and authorised for issue on 20 April 2021 and were signed on its behalf by:

A Thomas - Trustee

Notes to the Financial Statements  
for the year ended 31 December 2020

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Income

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

Expenditure

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

Tangible fixed assets

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

Office equipment	- 25% on cost
Show equipment	- 25% on cost

Stocks

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

Taxation

As the company is a registered charity under the Charities Act (Reg. No. 282757), it is exempt from taxation, and will remain so whilst it continues to be a charity and applies its income for charitable purposes in accordance with Section 505 Income and Corporation Taxes Act 1988.

Fund accounting

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

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes. There are currently no restricted funds.

Investments

At the balance sheet date, listed investments are stated at market value. The SOFA includes the net gains and losses arising on revaluations and disposals throughout the year.

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

## 2. DONATIONS AND LEGACIES

	2020	2019
	£	£
Donations, sponsorship and gift aid	<u>3,123</u>	<u>4,018</u>

## 3. OTHER TRADING ACTIVITIES

	2020	2019
	£	£
Sale of promotional items	<u>807</u>	<u>1,846</u>

## 4. INVESTMENT INCOME

	2020	2019
	£	£
Interest and dividends received on investments	6,105	8,178
Deposit account interest	125	197
	<u>6,230</u>	<u>8,375</u>

## 5. INCOME FROM CHARITABLE ACTIVITIES

	Activity	2020	2019
		£	£
Registration fees and flock registration	Charitable activities	66,894	70,771
Commission on sales	Charitable activities	8,219	14,361
Sale entry fees	Charitable activities	18,182	23,817
Year book and other publications	Charitable activities	14,807	14,023
Genetic testing	Charitable activities	14,574	19,983
Subscriptions	Charitable activities	25,898	26,773
		<u>148,574</u>	<u>169,728</u>

## 6. CHARITABLE ACTIVITIES COSTS

	Direct Costs (see note 7)	Support costs (see note 8)	Totals
	£	£	£
Charitable activities	<u>21,578</u>	<u>67,524</u>	<u>89,102</u>

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

## 7. DIRECT COSTS OF CHARITABLE ACTIVITIES

	2020	2019
	£	£
Show expenses	(552)	6,703
Regional expenses	100	1,887
Sale costs	5,263	7,808
Yearbook, newsletter and other publication expenses	4,878	4,651
Genetic testing	11,439	16,186
Welsh Farm Project	450	-
	<u>21,578</u>	<u>37,235</u>

## 8. SUPPORT COSTS

	General support costs
	£
Charitable activities	<u>67,524</u>

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

	2020 Charitable activities	2019 Total activities
	£	£
Management and administration	61,000	66,000
Interest payable and similar charges	1,122	1,189
Accountancy and legal fees	2,246	2,239
Depreciation of tangible fixed assets	3,156	3,311
	<u>67,524</u>	<u>72,739</u>

## 9. OTHER COSTS

	2020	2019
	£	£
Postage and telephone	9,865	10,618
Printing and stationery	1,172	2,503
Subscriptions	1,443	2,078
Office and storage accommodation	7,600	7,600
Motor and travelling	-	4,295
Hotel and meal charges	142	3,294
Office expenses	4,630	5,433
Meeting expenses	3,280	5,799
	<u>28,132</u>	<u>41,620</u>

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

## 10. NET INCOME/(EXPENDITURE)

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

	2020	2019
	£	£
Depreciation - owned assets	<u>3,156</u>	<u>3,311</u>

## 11. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 31 December 2020 nor for the year ended 31 December 2019.

Trustees undertake work on behalf of the society on an unpaid basis. No calculation of this voluntary work has been reflected in the financial results.

Trustees' expenses

There was £179 in expenses paid to the trustees in the year. (2019: £1,696)

## 12. TANGIBLE FIXED ASSETS

	Office equipment £	Show equipment £	Totals £
<b>COST</b>			
At 1 January 2020	14,085	39,992	54,077
Additions	<u>1,204</u>	<u>-</u>	<u>1,204</u>
At 31 December 2020	<u>15,289</u>	<u>39,992</u>	<u>55,281</u>
<b>DEPRECIATION</b>			
At 1 January 2020	11,557	35,955	47,512
Charge for year	<u>1,422</u>	<u>1,734</u>	<u>3,156</u>
At 31 December 2020	<u>12,979</u>	<u>37,689</u>	<u>50,668</u>
<b>NET BOOK VALUE</b>			
At 31 December 2020	<u>2,310</u>	<u>2,303</u>	<u>4,613</u>
At 31 December 2019	<u>2,528</u>	<u>4,037</u>	<u>6,565</u>

## 13. FIXED ASSET INVESTMENTS

	Listed securities £
<b>MARKET VALUE</b>	
At 1 January 2020	263,116
Additions	51,242
Disposals	(56,373)
Revaluations	<u>6,005</u>
At 31 December 2020	<u>263,990</u>

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

## 14. STOCKS

	2020	2019
	£	£
Stocks	<u>5,969</u>	<u>5,824</u>

## 15. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade debtors	12,062	17,477
Prepayments and accrued income	234	-
	<u>12,296</u>	<u>17,477</u>

## 16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Trade creditors	6,521	897
VAT	3,804	565
Accruals and deferred income	1,700	2,700
	<u>12,025</u>	<u>4,162</u>

## 17. MOVEMENT IN FUNDS

	At 1.1.20	Net movement in funds	At 31.12.20
	£	£	£
Unrestricted funds			
General fund	337,631	22,092	359,723
	<u>337,631</u>	<u>22,092</u>	<u>359,723</u>
TOTAL FUNDS	<u>337,631</u>	<u>22,092</u>	<u>359,723</u>

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

	Incoming resources	Resources expended	Gains and losses	Movement in funds
	£	£	£	£
Unrestricted funds				
General fund	158,734	(137,491)	849	22,092
	<u>158,734</u>	<u>(137,491)</u>	<u>849</u>	<u>22,092</u>
TOTAL FUNDS	<u>158,734</u>	<u>(137,491)</u>	<u>849</u>	<u>22,092</u>

Comparatives for movement in funds

	At 1.1.19	Net movement in funds	At 31.12.19
	£	£	£
Unrestricted funds			
General fund	305,508	32,123	337,631
	<u>305,508</u>	<u>32,123</u>	<u>337,631</u>
TOTAL FUNDS	<u>305,508</u>	<u>32,123</u>	<u>337,631</u>

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

## 17. MOVEMENT IN FUNDS - continued

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	183,967	(181,874)	30,030	32,123
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL FUNDS	<u>183,967</u>	<u>(181,874)</u>	<u>30,030</u>	<u>32,123</u>

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

	At 1.1.19 £	Net movement in funds £	At 31.12.20 £
Unrestricted funds			
General fund	305,508	54,215	359,723
	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL FUNDS	<u>305,508</u>	<u>54,215</u>	<u>359,723</u>

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

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	342,701	(319,365)	30,879	54,215
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
TOTAL FUNDS	<u>342,701</u>	<u>(319,365)</u>	<u>30,879</u>	<u>54,215</u>

Included within the General fund are amounts in relation to Region 3 of £922 (2019: £922) and Region 4 of £1,429 (2019: £1,429).

## 18. RELATED PARTY DISCLOSURES

The charity had transactions with Ceres Solutions, a partnership in which Carroll Barber, company secretary, is a partner. The charity purchased secretarial and administrative services and accommodation from Ceres Solutions during the year to the value of £68,600. Ceres Solutions employs 4 staff who are involved in the provision of services to the charity. During the year Ceres Solutions received £1,388 from the Charity for use of its office equipment, of which £Nil was outstanding at the balance sheet date. Correspondingly the Charity received income of £1,137 from Ceres Solutions for use of its own office equipment, of which £20 was outstanding at the balance sheet date.

The following table shows the amounts received from trustees during the year, in relation to membership fees, registration fees, sale entry fees and advertising:-

	Sales Balance owing/owed £	Total amount received £
J Clanachan (Res. 15/09/20)	-	212

Notes to the Financial Statements - continued  
for the year ended 31 December 2020

18. RELATED PARTY DISCLOSURES - continued

D Evans	-	774
D Norman	-	510
W McAllister	-	903
C Sercombe	-	1,952
C Thomas	-	1,538
A Pedrick	-	568
A Thomas	-	1,213
T Mawer	-	239
S Dunkley	-	529
R Gray (App. 15/09/20)	-	300

19. REGIONS

Some regions organise local fund raising and promotional activities which are not accounted for in these financial statements.



Detailed Statement of Financial Activities  
for the year ended 31 December 2020

	2020 £	2019 £
<b>INCOME AND ENDOWMENTS</b>		
Donations and legacies		
Donations, sponsorship and gift aid	3,123	4,018
Other trading activities		
Sale of promotional items	807	1,846
Investment income		
Interest and dividends received on investments	6,105	8,178
Deposit account interest	125	197
	<u>6,230</u>	<u>8,375</u>
Charitable activities		
Registration fees and flock registration	66,894	70,771
Commission on sales	8,219	14,361
Sale entry fees	18,182	23,817
Year book and other publications	14,807	14,023
Genetic testing	14,574	19,983
Subscriptions	25,898	26,773
	<u>148,574</u>	<u>169,728</u>
Total incoming resources	158,734	183,967
<b>EXPENDITURE</b>		
Raising donations and legacies		
Advertising and promotional expenses	20,257	30,280
Charitable activities		
Show expenses	(552)	6,703
Regional expenses	100	1,887
Sale costs	5,263	7,808
Yearbook, newsletter and other publication expenses	4,878	4,651
Genetic testing	11,439	16,186
Welsh Farm Project	450	-
	<u>21,578</u>	<u>37,235</u>
Other costs		
Postage and telephone	9,865	10,618
Printing and stationery	1,172	2,503
Subscriptions	1,443	2,078
Office and storage accommodation	7,600	7,600
Motor and travelling	-	4,295
Hotel and meal charges	142	3,294
Office expenses	4,630	5,433
Meeting expenses	3,280	5,799
	<u>28,132</u>	<u>41,620</u>

This page does not form part of the statutory financial statements

Detailed Statement of Financial Activities  
for the year ended 31 December 2020

	2020 £	2019 £
Support costs		
General support costs		
Management and administration	61,000	66,000
Interest payable and similar charges	1,122	1,189
Accountancy and legal fees	2,246	2,239
Depreciation of tangible fixed assets	3,156	3,311
	<u>67,524</u>	<u>72,739</u>
Total resources expended	<u>137,491</u>	<u>181,874</u>
Net income before gains and losses	21,243	2,093
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	<u>(5,156)</u>	<u>1,025</u>
Net income	<u><u>16,087</u></u>	<u><u>3,118</u></u>