

BRITISH CHAROLLAIS SHEEP SOCIETY LIMITED
ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

BRITISH CHAROLLAIS SHEEP SOCIETY LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Trustees	Mr C Sercombe	
	Mr D Norman	
	Mr A R Gray	
	Mrs S Malcomson	
	Mr D Sloan	
	Mr S Dunkley	
	Mr A M Davies	
	Mr D Roberts	
	Mr P Tully	(Appointed 27 May 2023)
Secretary	Mrs C A Barber	
Charity number	282757	
Company number	01341920	
Registered office	Crogham Farm Youngman's Road WYMONDHAM Norfolk United Kingdom NR18 0RR	
Independent examiner	Argents Accountants Limited 15 Palace Street NORWICH Norfolk United Kingdom NR3 1RT	

BRITISH CHAROLLAIS SHEEP SOCIETY LIMITED

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BRITISH CHAROLLAIS SHEEP SOCIETY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 DECEMBER 2023

The trustees 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 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.
4. To undertake scientific work to maintain our integrity as a breed and retain its purity.

Public Benefit

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities the charity should undertake.

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 trade 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.

Achievements and performance

The Society undertook a full programme of activities during the year including a Young Breeders Day, sales, promotion at shows and specialist sheep events. Regions throughout the UK and Northern Ireland continue to be active with on-farm events, meetings, sales and shows. There has been a trend since covid of members selling stock off farm or through on-line methods. This has impacted on the income generated from registrations, sale entries and sale commission. The Trustees have reacted to this change and put measures in place to protect our level of income and maintain our promotional presence in the industry and also to continue to educate and mentor breeders, with particular focus on our younger members.

Net movement in funds for the year as shown in the Statement of Financial Activities was a surplus of £10,549 (2022: deficit £29,720), after taking into account the movement in investment values for the year. However, movement in funds prior to investment valuation movement resulted in a deficit of £2,150 (2022: surplus £10,977), a result of the decrease in overall activity income and expenditure this year.

Reserve 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.

Principle funding sources

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

BRITISH CHAROLLAIS SHEEP SOCIETY LIMITED

TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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.

Structure, governance and management

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

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

Mr C Sercombe

Mrs A B Pedrick (Resigned 27 May 2023)

Mr D Norman

Mr A R Gray

Mrs S Malcomson

Mr D Sloan

Mr S Dunkley

Mr A M Davies

Mr D Roberts

Mr P Tully (Appointed 27 May 2023)

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.

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

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Mr C Sercombe

Trustee

Date:

BRITISH CHAROLLAIS SHEEP SOCIETY LIMITED**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	29,967	29,392
Charitable activities	4	128,638	145,552
Other trading activities	5	1,152	1,876
Investments	6	7,734	7,900
Total income		<u>167,491</u>	<u>184,720</u>
Expenditure on:			
Raising funds	7	26,493	24,889
Charitable activities	8	143,148	148,854
Total expenditure		<u>169,641</u>	<u>173,743</u>
 Net gains/(losses) on investments	 12	 12,699	 (40,697)
Net income/(expenditure) and movement in funds		<u>10,549</u>	<u>(29,720)</u>
Reconciliation of funds:			
Fund balances at 1 January 2023		399,245	428,965
Fund balances at 31 December 2023		<u>409,794</u>	<u>399,245</u>

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

BRITISH CHAROLLAIS SHEEP SOCIETY LIMITED**BALANCE SHEET****AS AT 31 DECEMBER 2023**

		2023		2022	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	14		1,259		2,052
Investments	15		330,468		308,612
			<u>331,727</u>		<u>310,664</u>
Current assets					
Stocks	16	2,841		3,121	
Debtors	17	14,580		15,210	
Cash at bank and in hand		65,376		79,161	
		<u>82,797</u>		<u>97,492</u>	
Creditors: amounts falling due within one year	18	4,730		8,911	
		<u>4,730</u>		<u>8,911</u>	
Net current assets			78,067		88,581
Total assets less current liabilities			<u>409,794</u>		<u>399,245</u>
The funds of the charity					
Unrestricted funds			409,794		399,245
			<u>409,794</u>		<u>399,245</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 trustees on

.....
Mr C Sercombe
Trustee

Company registration number 01341920 (England and Wales)

BRITISH CHAROLLAIS SHEEP SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

Charity information

British Charollais Sheep Society Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is Crogham Farm, Youngman's Road, WYMONDHAM, Norfolk, NR18 0RR, United Kingdom.

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, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

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

1.3 Charitable funds

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

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.

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

BRITISH CHAROLLAIS SHEEP SOCIETY LIMITED

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:

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

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 Fixed asset investments

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

1.8 Impairment of fixed assets

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

1.9 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.

1.10 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.

BRITISH CHAROLLAIS SHEEP SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

1 Accounting policies

(Continued)

1.11 Financial instruments

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

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

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

Basic financial assets

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

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.

2 Critical accounting estimates and judgements

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

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

BRITISH CHAROLLAIS SHEEP SOCIETY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2023**3 Donations and legacies**

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Donations and gifts	2,605	4,277
Membership fees	27,362	25,115
	<u>29,967</u>	<u>29,392</u>

4 Income from charitable activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Core Activities		
Lamb and Flock registration fees	54,427	67,661
Genetic testing	21,639	18,041
Commission on sales	13,861	15,480
Sales entry fee	18,461	23,301
AGM income	6,637	4,683
Year book and other publication	13,613	16,386
	<u>128,638</u>	<u>145,552</u>

5 Income from other trading activities

	Unrestricted funds	Unrestricted funds
	2023	2022
	£	£
Fundraising events	630	576
Sale promotional items	522	1,300
	<u>1,152</u>	<u>1,876</u>

BRITISH CHAROLLAIS SHEEP SOCIETY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2023**6 Income from investments**

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Income from listed investments	7,371	7,720
Interest receivable	363	180
	<u>7,734</u>	<u>7,900</u>

7 Expenditure on raising funds

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Fundraising and publicity		
Staging fundraising events	788	613
Advertising	25,705	24,276
	<u>26,493</u>	<u>24,889</u>

8 Expenditure on charitable activities

	Core Activities 2023 £	Core Activities 2022 £
Direct costs		
Genetic testing	18,844	19,516
Sale costs	8,208	9,827
Show expenses	5,386	4,053
Regional expenses	965	1,259
Yearbook, newsletter and other	11,749	21,125
	<u>45,152</u>	<u>55,780</u>
Share of support and governance costs (see note 9)		
Support	96,070	91,135
Governance	1,926	1,939
	<u>143,148</u>	<u>148,854</u>
Analysis by fund		
Unrestricted funds	<u>143,148</u>	<u>148,854</u>

BRITISH CHAROLLAIS SHEEP SOCIETY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2023**9 Support costs**

	Support costs	Governance costs	2023 Support costs	Governance costs	2022
	£	£	£	£	£
Depreciation	793	-	793	1,848	1,848
Management and administration	51,000	-	51,000	48,000	48,000
Office expense	7,600	-	7,600	7,600	7,600
Postage and telephone	9,472	-	9,472	8,355	8,355
Printing and stationery	2,555	-	2,555	2,342	2,342
Subscriptions	4,035	-	4,035	3,387	3,387
Office expenses	4,308	-	4,308	4,464	4,464
Interest payable and similar charges	1,105	-	1,105	1,037	1,037
Meeting expenses	3,557	-	3,557	3,427	3,427
Travel and subsistence	4,159	-	4,159	6,266	6,266
AGM expenses	7,486	-	7,486	4,409	4,409
Independent examination fees	-	1,926	1,926	-	1,939
	<u>96,070</u>	<u>1,926</u>	<u>97,996</u>	<u>91,135</u>	<u>93,074</u>
Analysed between Charitable activities	<u>96,070</u>	<u>1,926</u>	<u>97,996</u>	<u>91,135</u>	<u>93,074</u>

10 Trustees

There were no trustees' remuneration or other benefits for the year ended 31 December 2023 nor for the year ended 31 December 2022.

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

Expenses paid to the trustees in the year amounted to £792

11 Employees

The average monthly number of employees during the year was:

	2023 Number	2022 Number
Total	-	-

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

BRITISH CHAROLLAIS SHEEP SOCIETY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2023**12 Gains and losses on investments**

	Unrestricted funds 2023 £	Unrestricted funds 2022 £
Gains/(losses) arising on:		
Revaluation of investments	13,215	(43,640)
Sale of investments	(516)	2,943
	<u>12,699</u>	<u>(40,697)</u>

13 Taxation

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

14 Tangible fixed assets

	Show equipment £	Office equipment £	Total £
Cost			
At 1 January 2023	<u>39,992</u>	<u>17,256</u>	<u>57,248</u>
At 31 December 2023	<u>39,992</u>	<u>17,256</u>	<u>57,248</u>
Depreciation and impairment			
At 1 January 2023	<u>39,992</u>	<u>15,204</u>	<u>55,196</u>
Depreciation charged in the year	<u>-</u>	<u>793</u>	<u>793</u>
At 31 December 2023	<u>39,992</u>	<u>15,997</u>	<u>55,989</u>
Carrying amount			
At 31 December 2023	<u>-</u>	<u>1,259</u>	<u>1,259</u>
At 31 December 2022	<u>-</u>	<u>2,052</u>	<u>2,052</u>

BRITISH CHAROLLAIS SHEEP SOCIETY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2023**15 Fixed asset investments**

	Listed investments £
Cost or valuation	
At 1 January 2023	308,612
Additions	61,575
Valuation changes	13,215
Disposals	(52,934)
	<hr/>
At 31 December 2023	330,468
	<hr/>
Carrying amount	
At 31 December 2023	330,468
	<hr/> <hr/>
At 31 December 2022	308,612
	<hr/> <hr/>

16 Stocks

	2023 £	2022 £
Finished goods and goods for resale	2,841	3,121
	<hr/> <hr/>	<hr/> <hr/>

17 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	14,580	15,210
	<hr/> <hr/>	<hr/> <hr/>

18 Creditors: amounts falling due within one year

	2023 £	2022 £
Other taxation and social security	815	2,628
Trade creditors	2,215	4,583
Accruals and deferred income	1,700	1,700
	<hr/>	<hr/>
	4,730	8,911
	<hr/> <hr/>	<hr/> <hr/>

BRITISH CHAROLLAIS SHEEP SOCIETY LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**
FOR THE YEAR ENDED 31 DECEMBER 2023**19 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	Gains and losses	At 31 December 2023
	£	£	£	£	£
General funds	399,245	167,491	(169,641)	12,699	409,794
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Previous year:	At 1 January 2022	Incoming resources	Resources expended	Gains and losses	At 31 December 2022
	£	£	£	£	£
General funds	428,965	184,720	(173,743)	(40,697)	399,245
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

20 Related party transactions

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 £64,600.

Ceres Solutions employs 4 staff who are involved in the provision of services to the charity. During the year Ceres Solutions received £1,395 (2022; £1,826) from the Charity for use of its office equipment, of which £186 was outstanding at the balance sheet date and £6,000 in relation to the reimbursement to Ceres Solutions for promotion and advertising costs. Correspondingly the Charity received income of £323 (2022; £689) from Ceres Solutions for use of its own office equipment.

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

C Sercombe	£2,954
D Sloan	£1,702
R Gray	£688
D Norman	£512
S Dunkley	£66
D Roberts	£1,024
A Davies	£1,220
S Malcomson	£1,768
P Tully	£653

BRITISH CHAROLLAIS SHEEP SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2023

21 Regions

Included within the General fund are amounts in relation to Region 3 of £922 (2022: £922) and Region 4 of £1,429 (2022: £1,429)

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