

**Charity registration number: 289581**  
**Company registration number: 01817702**

**ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

**(A company limited by guarantee)**

**TRUSTEES' REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

# ROYAL NORFOLK AGRICULTURAL ASSOCIATION

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# ROYAL NORFOLK AGRICULTURAL ASSOCIATION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

### REFERENCE AND ADMINISTRATIVE DETAILS

<b>Charity name</b>	Royal Norfolk Agricultural Association	
<b>Charity registration number</b>	289581	
<b>Company registration number</b>	01817702	
<b>Trustees</b>	R C Alston G S Pilcher FCA Dr B R Clarke S D A Griffiths (resigned 24 <sup>th</sup> September 2020) R M Beazley F L Broom C S J Scott C E Savory ACA L Lockhart N J Dulieu (appointed 24 <sup>th</sup> September 2020) S J Hickling (appointed 24 <sup>th</sup> September 2020)	
<b>Registered office</b>	Norfolk Showground Dereham Road Norwich Norfolk, NR5 0TT	
<b>Company secretary</b>	G S Smith CB QVRM TD (resigned 31 <sup>st</sup> December 2020) J D Betts (appointed 1 <sup>st</sup> January 2021)	
<b>Key management personnel</b>	G S Smith CB QVRM TD (Chief Executive) to 31 <sup>st</sup> December 2020 J S Hill (Deputy Chief Executive and Show Director) to 31 <sup>st</sup> July 2020 M A Nicholas MBE DL (Managing Director) from 1 <sup>st</sup> January 2021 J D Betts (Financial Controller)	
<b>Auditors</b>	Price Bailey LLP Chartered Accountants & Statutory Auditors Anglia House, 6 Central Avenue St Andrews Business Park Thorpe St Andrew Norwich, NR7 0HR	
<b>Bankers</b>	Lloyds Bank plc 3 Queen Street Norwich, NR2 4SG	Scottish Widows Bank plc PO Box 12757 67 Morrison Street Edinburgh, EH3 8YJ
<b>Solicitors</b>	Howes Percival 1 Bedding Lane Norwich, NR3 1RG	
<b>Investment bankers</b>	Barratt & Cooke 5 Opie Street Norwich, NR 1 3DW	

## **ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020**

The Board of Trustees, who are also directors of the charity for the purposes of the Companies Act, submit their Annual Report and Financial Statements for the Royal Norfolk Agricultural Association (the Association) for the year ended 31 December 2020. The Board of Trustees confirm that the Annual Report and Financial Statements comply with current statutory requirements.

#### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

##### **A. CONSTITUTION**

The Company is registered as a charitable company limited by guarantee (Company Number 1817702, Registered Charity number 289581) and was set up by a Trust deed, and subsequently adopted memorandum and articles of association.

The principal objectives of the Association during the year were the promotion of improvements in the breeding of livestock and plants, the invention and improvement of agricultural machines and implements, the encouragement of skills in agriculture, horticulture and allied systems of husbandry, and the encouragement of agricultural science, research and education. The principal activities and policies adopted to aid the objectives are the organisation of the Royal Norfolk Show and Spring Fling at the Association's Showground in Costessey, and pursuit of the objectives by way of other activities including events that encourage improvement in agriculture and food production through knowledge exchange.

##### **B. RECRUITMENT AND APPOINTMENT OF TRUSTEES**

The Directors of the Company are also Charity Trustees for the purposes of charity law. Under the Company's Articles they are known as members of the Board of Trustees.

The Board encompasses a diverse mix of skills and experience to ensure that the interests of the company, its members, clients and customers are appropriately represented. Trustees are appointed as a result of recommendation and interview by the principal officers of the Association.

##### **C. TRUSTEE INDUCTION AND TRAINING**

All Trustees are familiar with the work of the Royal Norfolk Agricultural Association. Additionally, Trustees are given induction training (including a full financial briefing and a detailed insight into the business of the Association) and provided with a copy of the Memorandum and Articles of Association, the latest Annual Report and they are offered the Charity Commission's publication, CC3 'The essential trustee: what you need to know'.

##### **D. ORGANISATIONAL STRUCTURE**

The Board of Trustees meets at least four times a year. During the period of the pandemic a smaller sub-group of Trustees has formed up to more closely work with the Chief Executive and manage the impacts to operations and finance. The Board of Trustees exercise control over the management and operation of the Association including the management and administration of the Association's funds and assets, the maintenance and development of the Association's land and property and the engagement of all employees and the regulation of their duties, salaries and terms of service.

The Association Board of Trustees has two sub-committees – Nominations and Governance and Personnel and Remuneration. These sub-committees meet at least annually dealing, respectively, with matters

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pertaining to the Board and Governance and the RNAA's people strategy and issues relating to the remuneration of staff.

The Personnel and Remuneration Committee provides assurance to the Trustees that the RNAA has an effective people strategy in place which supports the delivery of our overall strategy, promoting an effective, high performing and diverse workforce. It oversees issues relating to the remuneration of staff, with specific responsibility for making recommendations to the Trustees regarding remuneration policy.

Day to day responsibility for the management of the company rests with the Chief Executive (Managing Director from 1 January 2021) and the management team.

There is also a Council consisting of elected members of the Association, ex officio members and any person co-opted. The Council meets twice a year and has supervisory control over both the property and the general policy of the Association. As a result of pandemic related restrictions Council met only once in 2020, for the occasion of the AGM, in October 2020.

#### **E. RISK MANAGEMENT**

The Trustees have assessed the major risks to which the Association is exposed, in particular those related to the operations and finances of the Association and are satisfied that systems and procedures are in place to mitigate exposure to the major risks. The Association has a risk assessment process consistent with good management practice. This ensures that appropriate steps have been taken to mitigate and recognise risk and that the RNAA makes the most of opportunities.

The RNAA complies with the Statement of Recommended Practice, SORP, required of UK registered charities. Trustees are responsible for ensuring that risk assessment and management processes are in place.

The RNAA uses a process of identifying risk under the following categories:

Financial  
Strategic  
Operational  
Hazard

Individual risks are sub-grouped under six functional areas: Events (including the Royal Norfolk Show), Infrastructure, IT, Financial, Reputation and People.

Corporate risks under the above categories are detailed in a corporate risk register stating inherent risk status, the risk, controls in place, likelihood, impact, action points to improve controls, lead risk owner and an assessment of the residual risk given the adequacy of controls in place.

The probability, likely impact and the level of concern are ranked, and a risk map and plan are produced of those corporate risks requiring prioritisation and attention.

The onset of the pandemic in early 2020 required the Association to implement a number of control measures and to reduce activity in line with government restrictions. The impact of health restrictions and periods of lockdown presented a major risk to the Association and its activities. The majority of third party bookings received by Norfolk Showground Limited were cancelled or postponed and of the RNAA's own events, including the Royal Norfolk Show, were cancelled.

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### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020**

The evaluation of risk to the Association was a major factor in the decision to cancel the 2020 and 2021 Royal Norfolk Shows. In making the decision in October 2020, to cancel the 2021 Royal Norfolk Show, the Trustees considered the likelihood and impact of risks materialising which could have been avoided.

Facing the prospect of much reduced income the Association took measures to reduce activity levels to essential business only and initiated a programme of reducing overheads. With much regret it was necessary to reduce staff levels in the second half of 2020, and three employees were made redundant. We would like to thank all our staff for all they have done for the charity during some very hard and unpredictable times!

In order to control costs the Association has made use of the Job Retention Scheme and received government backed support from the Coronavirus Business Interruption Loan Scheme and Bounce Back loan scheme.

Other impacts of the pandemic resulted in further risk to the Association. Membership renewals reduced by approximately 60% at the end of 2020 following the decision to cancel the 2021 Royal Norfolk Show. Infrastructure and maintenance projects planned for 2020 were ceased which increased the risk of failure and fatigue in parts of our infrastructure. In 2021 funding was secured to allow many of these projects to proceed. A project to supply the Showground with non-potable/potable water from a neighbouring landowner had begun in the autumn of 2019 and was halted in early 2020. It is intended that this project will proceed in autumn 2021.

#### **OBJECTIVES AND ACTIVITIES**

The objects for which the Association is established are:

- a. To promote improvement in the breeding of livestock and plants, in the invention and improvement of agricultural machines and implements, in the encouragement of skills in agriculture, horticulture, forestry, pisciculture, rural crafts and allied systems of husbandry and the development of all systems, techniques, methods or processes connected therewith;
- b. To encourage and promote agricultural science, research and education including in relation to food, farming and the countryside; and
- c. To advance and encourage the protection and safeguarding of the environment.

#### **Policies and objectives**

1. To bring people and business together through a range of inspiring events promoting food, farming and the countryside.
2. To educate a wider audience about the ways of the countryside, the environment, the reduction of carbon emissions to help prevent global warming and to encourage the consumption of locally produced food.
3. To contribute to the development of a strategy for the region.

**ROYAL NORFOLK AGRICULTURAL ASSOCIATION**  
**TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)**  
**FOR THE YEAR ENDED 31 DECEMBER 2020**

**Criteria for measuring success**

Criteria for measuring success are varied against the differing activities of the RNAA. Each activity is routinely reviewed by the Trustees who use a range of evaluation criteria that might include:

- Quality of work: The RNAA continually reviews its work to ensure that it is meeting the objectives set for the charity.
- Schedule: Has the activity been delivered to schedule against deadlines?
- Scope: Has the scope of the activity been met?
- Budget: Was the activity delivered on or within the financial parameters set?
- Team satisfaction: Feedback from volunteers and other participants is collected and reviewed. Were they satisfied with the activity? How can it be improved?
- Visitor satisfaction: Feedback from visitors – for example, those attending the Royal Norfolk Show – is collected formally and analysed to provide a wealth of data covering satisfaction with the event, advocacy and future improvements.
- External influences: how can the risks presented by Covid-19 be mitigated and the Association's exposure limited?

The RNAA understands its duty to protect the public, including vulnerable people, from unreasonably intrusive or persistent fundraising approaches. Its main fundraising activity is the Royal Norfolk Show and hence uses neither internal or external fundraisers and received no fundraising complaints during the year. The RNAA is not a member of the fundraising regulator.

**Strategies for achieving objectives**

The Association seeks to achieve its objectives through the following main activities:

1. The annual Royal Norfolk Show as a showcase for best practice in agriculture, locally produced food, the countryside and the rural economy. It is the leading consumer event in East Anglia. In the absence of a Show in 2020 and 2021 virtual technology was used to promote agricultural innovation through the online Innovation Hub.
2. Building a substantial "enabling business" through Norfolk Showground Limited, and other commercial opportunities, to help fund the main charity, seeking sustainable and relevant future options. Since the pandemic the Association has begun to diversify commercial activity at Norfolk Showground. This has included securing commercial tenants to occupy parts of the Showground estate.
3. Supporting our education vehicle, the Food and Farming Discovery Trust (FFDT). Although activity levels were much reduced, the FFDT has been able to develop its strategic purpose and produce a vision for the East which sets out the Trust's aims and objectives in a post-pandemic environment.
4. Promoting food, farming and countryside through a range of public events including Spring Fling, Norfolk HarFest, and Christmas Fayre. As a result of health restrictions it was not possible to deliver these events in 2020.
5. Maintaining the Association's profile and presence in Norfolk, creating opportunities, building relationships and encouraging collaboration. This objective was achieved with a series of virtual and online events that were scheduled throughout the year.

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### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

#### Public benefit

The RNAA is a charity working for food, farming and the countryside. The Trustees confirm that they have referred to the Charity Commission's general guidance on public benefit when reviewing the Association's aims and objectives and in planning future activities.

The operations of the RNAA are in two areas:

- Charitable activities and the delivery of public benefit.
- Commercial activities to generate earnings to support our charitable work. The net income of all commercial activity undertaken by the subsidiaries is gift aided to the Association.

There is an overlap between our charitable and commercial activities as some events have both strands, such as The Royal Norfolk Show.

#### **ACTIVITIES AND ACHIEVEMENTS AGAINST OBJECTIVES**

Our charitable activities have the following broad themes:

##### **1. Organising Educational Events**

This area of our work was impacted by Covid-19 restrictions and the Royal Norfolk Show, Spring Fling and HarFest events were cancelled. However, we achieved the following:

- Delivered the 5<sup>th</sup> Norfolk Skills and Careers Festival in March 2020. As the lead organisation in a coalition of willing partners we welcomed over 7,000 youngers to Norfolk Showground for what is the largest and most comprehensive skills and careers event in Norfolk. Over 100 employers took part and promoted sectors included agriculture, farming and food production.
- We supported the development of the FFDT, our education vehicle, as it set out a new *Vision for the East* and adapted its operating model. The FFDT held a Science of farming day in March 2020 which was attended by over 400 Year 5 students. It also developed an online version of the Conscious Consumers project which encouraged students to explore food miles, personalised nutrition and plant-based diets.

##### **2. We support agricultural welfare charities:**

Farming continues to change at a rapid rate, and it is inevitable that some farmers need support to deal with problems. During the year we have indirectly and directly supported organisations working to help farmers including the Royal Agricultural Benevolent Institution and the You Are Not Alone (YANA) charity which promotes farmers mental health and wellbeing.

##### **3. Personal Development of Individuals in the Agricultural Industry**

Once again, we have supported the Nuffield Farming Scholarships Trust which award life changing scholarships that unlock individual potential and broaden horizons through study and travel overseas, with a view to developing farming and agricultural industries.

We were delighted that Jamie Lockhart, Managing Director at Frederick Hiam Ltd, has been selected for a 2020 Nuffield Scholarship.

## **ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **4. Knowledge Transfer**

This is a key activity as we try to encourage the industry to work more collaboratively. During 2020 we have supported:

- Agritech week – a partnership initiative, founded in 2014 by Agri-TechE (formerly Agri-Tech East), the Royal Norfolk Agricultural Association and the Suffolk Agricultural Association. In 2020 we hosted a virtual event exploring the utility of agricultural associations and shows.
- The YIELD network – this group of younger members now numbers over 260 consisting of farmers, vets and others working in allied industries and is run by a management committee drawn from the membership. The group met seven times during 2020 – for virtual events – which included knowledge exchange and professional development. YIELD is now recognised as an influential group for those who are passionate about farming and want to be part of a successful forward-thinking industry.
- Norfolk Farming Conference – the RNAA is a primary sponsor of this annual one-day event for the agricultural industry in the region. Bringing together around 300 delegates to hear from leading agricultural businesses and policy makers, the conference is a key opportunity for knowledge transfer and advocacy for the industry. The conference took place in February 2020 and considered business specialisation and diversification.
- The Association held an online seminar event with local MPs which explored rural challenges and opportunities.

#### **5. Supports other charities and sectors with grants and sponsors events and conferences**

During the year we provided Norfolk Federation of Young Farmers with grant support.

The RNAA relies significantly on our Stewards (our volunteer body) to assist planning and delivering its activities.

#### **ACHIEVEMENTS AND PERFORMANCE SINCE 31 DECEMBER 2020**

In January 2021 a new Managing Director was appointed to the Association. Over recent months a programme of reform has been initiated to ensure that the Association is best placed to recover from the pandemic and to take advantage of new opportunities. A comprehensive restructuring of the staff team will further reduce staff overheads and create an executive team ready to meet the current and future needs of the business. In April 2021 the Association received grant funding from the Culture Recovery Fund (second round) up to £575,000 (RNAA £474,900 and NSL £100,000). The funding has enabled investment in the Showground/venue estate and a number of activities to be delivered as pandemic-related restrictions ease.

A key area of development is the diversification of the Association's commercial activities. In addition to events and hirings secured by Norfolk Showground Limited, the Association is attracting other commercial interest in the use of its buildings and facilities. The Association's websites are being rebuilt and a marketing campaign to encourage greater use of the Showground by local communities is underway. The Active Arts project, funded by the Arts Council, has enabled many local arts-based groups to use performance and rehearsal space at the Showground, including the Norwich Philharmonic Orchestra and Norwich Samba

## ROYAL NORFOLK AGRICULTURAL ASSOCIATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

Band. The Culture Recovery Fund support is enabling the Association to improve its diversity of reach and engagement.

#### **FINANCIAL REVIEW**

On a consolidated basis, our net deficit before gains on investments totalled £703,979 (2019 – surplus of £89,336), the results in year have been significantly influenced by the global Covid-19 pandemic and the following major factors:

- There was no income from the 2020 Royal Norfolk Show due to cancellation (2019 – Show income £1,487,482).
- The cancellation costs of the 2020 Royal Norfolk Show excluding staff costs were £65,503 (2019 – show costs totalled £1,183,353).
- Norfolk Showground Limited made a profit of £97,176 (2019 - £124,565) on income of £174,156 (2019 - £684,845) reflecting the downturn in the events and space rental business as a result of the national lockdown and uncertainties over the Covid-19 pandemic. We continue to strive to secure multi-year contracts for the major events that occur at the Showground.
- Realised and unrealised gains on investments were £1,128 (2019 – £72,086).

The Association had to manage its costs throughout the pandemic through careful item by item budgeting, regular financial reporting, a purchase order system and frequent reviews of costs by a sub committee consisting of executive staff and Trustees.

#### **Reserves Policy**

The Association has assessed that reserves of £750,000 should be maintained to cover the full overheads of the business for 12 months, in cash or other liquid assets and investments in case the Royal Norfolk Show is cancelled in any year. During 2020, decisions had to be to cancel both the 2020 and 2021 Shows

This would give the Association sufficient time to realise other assets should the need arise.

Current reserves of the group are £3,484,670 which includes restricted funds of £50,731 and unrestricted funds of £3,433,939. The charity measures free reserves as unrestricted reserves less fixed assets but including the surplus investments over those secured by the bank. At 31 December 2020 free reserves totalled a deficit of £90,435 (2019: £451,485). The Charity's strategy is to build free reserves back to at least £750,000 and participation in activities such as the landowners' consortium, details of which are set out in the section of this report entitled "Plans for the Future" will enable this to happen in the short term.

#### **Going Concern**

The trustees have considered the level of funds held at the year end and government support received through the Coronavirus Job Retention Scheme as well as the advance of a Coronavirus Business Interruption Loan and a Bounce Back Loan. Additionally, after the year end the Charity and its subsidiary Norfolk Showground Limited were awarded grants from the Culture Recovery Fund and the completion of the sale of land at Easton through a consortium of landowners which the Charity is a member (see note 26). The trustees have also considered the forecast income and expenditure to 31st December 2022 is sufficient with the level of reserves for the charity to be able to continue as a going concern.

## **ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

### **TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020**

#### **Investment Policy**

Under its constitution, the Association has the power to invest funds not immediately required for its charitable purposes.

The Trustees have considered the most appropriate policy for investing funds and concluded to maintain a balanced portfolio of listed investments to provide the maximum financial return to the charity and to invest surplus cash funds on various deposits to receive the highest rate of interest whilst mitigating risk and ensuring all liabilities can be met within their due dates. The Trustees are satisfied with the returns for the year.

The share portfolio is managed by Barratt & Cooke, on a discretionary basis, and secured against the Lloyds bank loan. It is reviewed annually by the Trustees and regular performance reviews are held with Barratt & Cooke who provide quarterly update to the Association on an ongoing basis. The Trustees' policy is that the portfolio maintains a cautious positioning to ensure that obligations to the bank charge can be met. During 2020 the portfolio maintained an average value of £770,000 and returned 2.5%.

#### **PLANS FOR THE FUTURE**

Work on a strategic masterplan for the Norfolk Showground has been ongoing as have informal discussions with potential development partners. We continue to review our ongoing investment in the Norfolk Showground as an events venue and consider options to ensure the long-term efficiency of our infrastructure, specifically the supply of potable water to the site.

Since 2007, the RNAA, in consortium with other local landowners, has been working on plans regarding the future potential development of land for housing around the village of Easton. The RNAA's current interest in this is 10.006 ha of land to the west of the main Showground site predominantly used for car parking. The land sale was completed in May 2021 and the RNAA's interests in this development are managed through its subsidiary company, Norfolk Showground Developments Limited.

The development of a refreshed proposition for members is underway. Responding to changing social and environmental trends, the Association will ensure that it implements measures to attract new members and that the Association's profile is enhanced as consumers become more conscious about food production and the impacts of climate change.

#### **STATEMENT OF TRUSTEES RESPONSIBILITIES**

The Trustees (who are also directors of the Royal Norfolk Agricultural Association for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the directors are required to:

## ROYAL NORFOLK AGRICULTURAL ASSOCIATION

### TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 DECEMBER 2020

- Select suitable accounting policies and then apply them consistently;
- Observe the methods and principles in the Charities SORP FRS 102;
- 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;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable group will continue in operation.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the charitable company's transactions and disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

#### PROVISION FOR INFORMATION TO AUDITOR

In so far as the Trustees are aware:

- there is no relevant audit information of which the company and the group's auditor is unaware, and
- the Trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In preparing this report, the Trustees have taken advantage of the small companies' exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the Trustees on 23/8/21 and signed on its behalf by:

*R C Alston*

**R C Alston**  
R C Alston (Aug 23, 2021, 9:00am)  
Trustee

## NORFOLK AGRICULTURAL ASSOCIATION

### INDEPENDENT AUDITORS' REPORT OF THE AUDITORS TO THE MEMBERS OF ROYAL NORFOLK AGRICULTURAL ASSOCIATION

#### Opinion

We have audited the financial statements of Royal Norfolk Agricultural Association (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated and Charity Cash Flow Statement, and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and parent charitable company's affairs as at 31 December 2020, and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's or parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so,

## **NORFOLK AGRICULTURAL ASSOCIATION**

### **INDEPENDENT AUDITORS' REPORT OF THE AUDITORS TO THE MEMBERS OF ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the trustees' report (incorporating the directors' report) has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the group and parent charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate and sufficient accounting records have not been kept by the parent charitable company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company's financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

#### **Responsibilities of trustees**

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors of the parent charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the groups and parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the group or parent charitable company or to cease operations, or have no realistic alternative but to do so.

## NORFOLK AGRICULTURAL ASSOCIATION

### INDEPENDENT AUDITORS' REPORT OF THE AUDITORS TO THE MEMBERS OF ROYAL NORFOLK AGRICULTURAL ASSOCIATION

#### Auditor's responsibilities for the audit of the financial statements

We have been appointed auditor under the Companies Act 2006 and report in accordance with this Act.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We gained an understanding of the legal and regulatory framework applicable to the charity and how it operates and considered the risk of the charity not complying with the applicable laws and regulations including fraud, in particular those that could have a material impact on the financial statements. This included those regulations directly related to the financial statements. In relation to the charity this included employment law, financial reporting and health & safety.

The risks were discussed with the audit team and we remained alert to any indications of non-compliance throughout the audit. We carried out specific procedures to address the risks identified. These included the following:

- Management override: We reviewed systems and procedures to identify potential areas of management override risk. In particular, we carried out testing of journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions to identify large or unusual transactions. We reviewed key authorisation procedures and decision making processes for any unusual or one-off transactions.
- We reviewed minutes of Trustee meetings, correspondence with the Charity Commission, agreeing the financial statement disclosures to underlying supporting documentation, and made enquiries of management including those responsible for the key regulations. We have reviewed the procedures in place for reporting of incidents to the Trustee Board and, escalation procedures and serious incident reporting of these matters as necessary with the Charity Commission.
- We reviewed the risk management processes and procedures in place including a review of the Risk Register and review of this document by the Board of Trustees.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

## NORFOLK AGRICULTURAL ASSOCIATION

### INDEPENDENT AUDITORS' REPORT OF THE AUDITORS TO THE MEMBERS OF ROYAL NORFOLK AGRICULTURAL ASSOCIATION

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

#### Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members and its trustees those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.



**Helena Wilkinson FCA DChA**  
**Senior Statutory Auditor**

For and on behalf of  
**PRICE BAILEY LLP**

Chartered Accountants and Statutory Auditors

Anglia House 6 Central Avenue  
St Andrews Business Park  
Thorpe St Andrew  
Norwich  
NR7 0HR

Date: 24 August 2021 .....

**ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>Note</b>	<b>Unrestricted £</b>	<b>Restricted £</b>	<b>Total 2020 £</b>	<b>Total 2019 £</b>
<b>Income and endowments from:</b>					
Donations		17,035	-	17,035	-
Charitable activities	2	72,844	-	72,844	1,724,941
Other trading activities	3	285,843	-	285,843	803,240
Investments	4	19,557	-	19,557	30,831
Other	5	136,460	-	136,460	27,507
<b>Total income</b>		<b>531,739</b>	<b>-</b>	<b>531,739</b>	<b>2,586,519</b>
<b>Expenditure on:</b>					
Raising funds (being subsidiary expenditure)	3	72,700	-	72,700	138,865
Charitable activities	6	1,159,936	3,082	1,163,018	2,358,318
<b>Total expenditure</b>		<b>1,232,636</b>	<b>3,082</b>	<b>1,235,718</b>	<b>2,497,183</b>
<b>Net (expenditure)/income</b>		<b>(700,897)</b>	<b>(3,082)</b>	<b>(703,979)</b>	<b>89,336</b>
Net gains on investments		1,128	-	1,128	72,086
<b>Net movement in funds</b>		<b>(699,769)</b>	<b>(3,082)</b>	<b>(702,851)</b>	<b>161,422</b>
<b>Reconciliation of funds:</b>					
Funds brought forward		4,133,708	53,813	4,187,521	4,026,099
<b>Total funds carried forward</b>		<b>3,433,939</b>	<b>50,731</b>	<b>3,484,670</b>	<b>4,187,521</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The notes on pages 19 to 38 form part of these financial statements.

**ROYAL NORFOLK AGRICULTURAL ASSOCIATION**  
**REGISTERED NUMBER: 04329682**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	10	2,967,984	3,115,736
Investments	11	<u>1,053,449</u>	<u>1,067,760</u>
		4,021,433	4,183,496
<b>Current assets</b>			
Stock		782	790
Debtors	12	176,000	268,784
Cash at bank and in hand		<u>535,580</u>	<u>579,143</u>
		712,362	848,717
Creditors: amounts falling due within one year	13	<u>(604,177)</u>	<u>(468,169)</u>
<b>Net current assets</b>		108,185	380,548
<b>Total assets less current liabilities</b>		4,129,618	4,564,044
Creditors: amounts falling due after more than one year	14	<u>(644,948)</u>	<u>(376,523)</u>
<b>Net assets</b>		<u>3,484,670</u>	<u>4,187,521</u>
<b>Group Funds</b>			
Unrestricted funds		3,433,939	4,133,708
Restricted fixed asset fund	17	50,731	53,813
<b>Total group funds</b>		<u>3,484,670</u>	<u>4,187,521</u>

The trustees have prepared group accounts in accordance with section 398 of the Companies act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Trustees on 23 Aug 2021 and signed on their behalf, by:

*R C Alston*

**R C Alston**

R C Alston (Aug 23, 2021, 9:00am)

Trustee

*Charles Savory*

**C E Savory ACA**

Charles Savory (Aug 23, 2021, 9:19am)

Trustee

The notes on pages 19 to 38 form part of these financial statements.

**ROYAL NORFOLK AGRICULTURAL ASSOCIATION**  
**REGISTERED NUMBER: 04329682**

**COMPANY BALANCE SHEET**  
**AS AT 31 DECEMBER 2020**

	Note	2020 £	2019 £
<b>Fixed assets</b>			
Tangible assets	10	2,967,984	3,115,736
Investments	11	766,865	781,175
		<u>3,734,849</u>	<u>3,896,911</u>
<b>Current assets</b>			
Debtors	12	426,291	499,685
Cash at bank and in hand		529,883	546,813
		<u>956,174</u>	<u>1,046,498</u>
Creditors: amounts falling due within one year	13	(610,305)	(380,765)
		<u></u>	<u></u>
<b>Net current assets</b>		<u>345,869</u>	<u>665,733</u>
<b>Total assets less current liabilities</b>		4,080,718	4,562,644
Creditors: amounts falling due after more than one year	14	(597,448)	(376,523)
		<u></u>	<u></u>
<b>Net assets</b>		<u>3,483,270</u>	<u>4,186,121</u>
<b>Charity Funds</b>			
Unrestricted funds		3,432,539	4,132,308
Restricted fixed asset fund	17	50,731	53,813
		<u></u>	<u></u>
<b>Total charity funds</b>		<u>3,483,270</u>	<u>4,186,121</u>

The trustees have prepared group accounts in accordance with section 398 of the Companies act 2006 and section 138 of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006 and are for circulation to members of the company.

The financial statements were approved by the Trustees on 23 Aug 2021 and signed on their behalf, by:

*R C Alston*  
**R C Alston**  
Rob Alston (Aug 23, 2021, 9:00am)  
 Trustee

*Charles Savory*  
**C E Savory ACA**  
Charles Savory (Aug 23, 2021, 9:19am)  
 Trustee

The notes on pages 19 to 38 form part of these financial statements.

**ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

	<b>Group 2020 £</b>	<b>Group 2019 £</b>	<b>Charity 2020 £</b>	<b>Charity 2019 £</b>
<b>Cash flow from operating activities</b>				
Net movement in funds	(702,851)	161,422	(702,851)	161,422
<u>Adjusted for:</u>				
Depreciation	173,596	179,210	173,596	179,210
Profit on disposal of tangible fixed assets	(10,475)	(11,000)	(10,475)	(11,000)
Dividend and interest income	(19,557)	(30,831)	(19,557)	(30,831)
Net gain on investments	(1,128)	(72,086)	(1,128)	(72,086)
Interest paid	12,532	14,905	12,532	14,905
Decrease/(increase) in trade and other debtors	86,032	9,136	66,642	(21,678)
Increase in trade and other creditors	123,690	62,115	219,721	64,969
Decrease in stock	8	1,764	-	-
<b>Net cash flow from operating activities</b>	<u>(338,153)</u>	<u>314,635</u>	<u>(261,520)</u>	<u>284,911</u>
<b>Cash flow from investing activities</b>				
Dividend and interest income	19,557	30,831	19,557	30,831
Purchase of investments	(171,546)	(101,483)	(171,546)	(101,483)
Proceeds from sale of investments	186,985	88,836	186,985	88,836
Purchase of tangible fixed assets	(19,092)	(156,737)	(19,092)	(156,737)
Proceeds of sale of tangible fixed assets	10,475	11,000	10,475	11,000
<b>Net cash flow from investing activities</b>	<u>26,379</u>	<u>(127,553)</u>	<u>26,379</u>	<u>(127,553)</u>
<b>Cash flow from financing activities</b>				
Repayment of borrowings	(19,257)	(42,649)	(19,257)	(42,649)
Interest paid	(12,532)	(14,905)	(12,532)	(14,905)
Cash inflows from new borrowings	300,000	26,380	250,000	26,380
<b>Net cash flow from financing activities</b>	<u>268,211</u>	<u>(31,174)</u>	<u>218,211</u>	<u>(31,174)</u>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<u>(43,563)</u>	<u>155,908</u>	<u>(16,930)</u>	<u>126,184</u>
Cash and cash equivalents at start of year	579,143	423,235	546,813	420,629
<b>Cash and cash equivalents at end of year</b>	<u>535,580</u>	<u>579,143</u>	<u>529,883</u>	<u>546,813</u>

The notes on pages 19 to 38 form part of these financial statements.

# ROYAL NORFOLK AGRICULTURAL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 1. ACCOUNTING POLICIES

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and in the preceding year.

#### 1.1. GENERAL INFORMATION

The Association is a private company limited by guarantee, incorporated in England and Wales, and the registered office is as stated on page 2 of these accounts. Under Section 60 of the Companies Act 2006 it is exempt from the requirement to use the word "limited" after its name. In the event of the company being wound up, the liability in respect of the guarantee is limited to £1 per member of the company. There are currently circa 1,600 members (2019 – circa 3,100).

These financial statements are presented in pounds sterling and rounded to the nearest £.

#### 1.2. BASIS OF PREPARATION

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019), applicable accounting standards and the Companies Act 2006 and comply with SORP's provisions currently in effect.

The Royal Norfolk Agricultural Association 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 note(s).

The financial statements are presented in sterling and rounded to the nearest pound.

#### 1.3. GROUP FINANCIAL STATEMENTS

The financial statements consolidate the accounts of Royal Norfolk Agricultural Association and its subsidiary undertakings ('subsidiaries') Norfolk Showground Limited and Norfolk Showground Developments Limited on a line by line basis. A separate Statement of Financial Activities has not been presented because the Association has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

The summary financial performance of the charity alone is:

	2020 £	2019 £
Turnover	454,759	2,444,504
Expenditure	(1,158,738)	(2,355,168)
Net gains on investments	1,128	72,086
	<hr/>	<hr/>
Net movement in funds	(702,851)	161,422
Funds brought forward	4,186,121	4,024,699
	<hr/>	<hr/>
Funds carried forward	<u>3,483,270</u>	<u>4,186,121</u>

# ROYAL NORFOLK AGRICULTURAL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 1. ACCOUNTING POLICIES (CONTINUED)

#### 1.4. GOING CONCERN

During the year, the global pandemic Covid19 has meant a national lockdown in the UK, resulting in the cancellation of the 2020 as well as the 2021 Royal Norfolk Show. This resulted in a significant reduction of income in 2020, and the associated Show cancellation costs.

The financial statements have been prepared on a going concern basis as the trustees have considered the level of funds held at the year end and government support received through the Coronavirus Job Retention Scheme as well as the advance of a Coronavirus Business Interruption Loan and a Bounce Back Loan. Additionally, after the year end the Charity and its subsidiary Norfolk Showground Limited were awarded grants from the Culture Recovery Fund and the completion of the sale of land at Easton through a consortium of landowners which the Charity is a member. The trustees have also considered the forecast income and expenditure to 31<sup>st</sup> December 2022 is sufficient with the level of reserves for the charity to be able to continue as a going concern.

#### 1.5. INCOME RECOGNITION

Income is recognised when the charity has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income received in advance of an event is deferred until the criteria for income recognition is met (see note 12). Members and Vice Presidents pay an annual subscription.

In accordance with the Charities SORP (FRS 102), no amounts are included in the financial statements for services donated by volunteers.

Where services are provided to the Charity as a donation that would normally be purchased from suppliers, if material, these are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the Charity has control over the item. Fair value is determined on the basis of the value of the gift to the Charity. For example the amount the Charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure. The only such services were made by volunteers and were immaterial in value.

Income from trading activities includes income earned from the trading subsidiary, Norfolk Showground Limited, land rental and lease income. Norfolk Showground Limited's principal activity is the events and rental business. Income is received in exchange for services in order to raise funds and is recognised when entitlement has occurred. Recognition of any trading income invoiced in advance for events which will be held after the end of the financial year is deferred until the event has occurred. Rental income is recognised as the Charity's right to receive payment is established.

Investment income earned from the Association's investment portfolio includes dividends and interest, and is recognised on an accruals basis.

Government grants have been recognised where payment has been approved but may have not yet been received.

# ROYAL NORFOLK AGRICULTURAL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 ACCOUNTING POLICIES (CONTINUED)

#### 1.6. FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the company and which have not been designated for other purposes.

Restricted funds are subjected to restrictions on their expenditure imposed by the donor or through the terms of an appeal.

Investment income, gains and losses are allocated to the appropriate fund.

#### 1.7. EXPENDITURE

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Expenditure is classed under the following activity headings:

- Costs of raising funds comprise the costs of the commercially trading subsidiary company.
- Expenditure on charitable activities includes the costs of all activities undertaken to further the purposes of the company and their associated support costs.

Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

#### 1.8. SUPPORT COST ALLOCATION

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs and governance costs. They are incurred directly in support of expenditure on the objects of the Charity. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources e.g. staff costs are allocated by estimated time spent.

The analysis of these costs is included in Note 6.

#### 1.9. GIFT AID DONATION AND TAX RELIEF THEREON

Profits made by Norfolk Showground Limited are donated to the parent charity, Royal Norfolk Agricultural Association. As per FRS102, an expected gift aid payment is not to be accrued unless a legal obligation to make the payment exists at the reporting date. The donation of profits from Norfolk Showground Limited to Royal Norfolk Agricultural Association is therefore reflected in the year in which the payment of the profits is made from the subsidiary to the parent entity. The tax effects are taken into account at the reporting date when it is probable that the gift aid payment will be made in the following 9 months.

# ROYAL NORFOLK AGRICULTURAL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 ACCOUNTING POLICIES (CONTINUED)

#### 1.10. FIXED ASSETS

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes costs directly attributable to making the asset capable of operating as intended. All assets costing more than £500 are capitalised at cost and are depreciated over their estimated useful economic lives on a straight line basis as follows:

Buildings & improvements	3 – 80 years straight line
Plant & machinery	3 – 15 years straight line

Depreciation is not charged on freehold land.

#### 1.11. INVESTMENTS

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the Statement of Financial Activities if the shares are publicly traded or their fair value can otherwise be measured reliably.

The investment in the trading subsidiaries is measured at cost. Other investments are measured at cost less impairment.

#### 1.12. STOCK

Stock is included at the lower of cost or net realisable value and includes branded items for resale.

#### 1.13. DEBTORS AND CREDITORS RECEIVABLE/PAYABLE WITHIN ONE YEAR

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

#### 1.14. CASH AT BANK AND IN HAND

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### 1.15. LOANS AND BORROWINGS

Loans and borrowings are initially recognised at the transaction price including transaction costs. Subsequently, they are measured at amortised cost using the effective interest rate method, less impairment.

## ROYAL NORFOLK AGRICULTURAL ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### 1 ACCOUNTING POLICIES (CONTINUED)

##### 1.16. FINANCE LEASE

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the charitable company. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### 1.17. FINANCIAL INSTRUMENTS

The association only has financial assets and liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their fair value as at the balance sheet date. All financial instruments of the charity are measured at cost with the exception of

- Fixed assets which are measured at cost less depreciation.
- Investments in the charity's portfolio, which are measured at fair value as at the balance sheet date using the closing market value. The value of investments as well as their original cost is stated in note 10.
- Bank loans which are measured at amortised cost using the effective interest method.

Financial assets include investments in the listed portfolio, the bank balances, trade debtors, accrued income and other debtors but exclude prepayments. Financial liabilities include bank loans, hire purchase obligations, trade creditors, other creditors, accruals and deferred income but exclude social security and other taxes due.

##### 1.18. PENSION COSTS

The association provides a defined contribution pension scheme, whereby the association and its staff each fund the scheme, managed by a third party provider, the assets of which are held by the provider separately from the assets of the group. The pension charge in the financial statements represents the amounts payable by the association to the fund in respect of the period.

##### 1.19. OPERATING LEASES

Rent payable and receivable under operating leases is charged to the Statement of Financial Activities on a straight-line basis over the period of the lease.

##### 1.20. TAXATION

The charity is exempt from taxation in respect of income and 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 the charitable purposes.

# ROYAL NORFOLK AGRICULTURAL ASSOCIATION

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

### 1 ACCOUNTING POLICIES (CONTINUED)

#### 1.21. AGENCY ARRANGEMENTS

The charitable company acts as an agent on behalf of another charitable company, Royal Agricultural Society of the Commonwealth ('RASC'). Income received and expenditure incurred on behalf of RASC are excluded from the statement of financial activities of RNAA. RNAA charges RASC for the administration costs related to this arrangement and this is the only amount recognised in the statement of financial activities of RNAA. The funds received and paid and any balance held at the year-end on behalf of RASC are disclosed in note 23.

#### 1.22. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

No judgements (apart from those involving estimates) have been made in the process of applying the above accounting policies.

The key assumptions concerning the future and key sources of estimation uncertainty at the key reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year include:

- The estimation of the useful economic life of property, plant and equipment. Depreciation policies have been set according to management's experience of the useful economic lives of the assets in each category, something which is reviewed annually. The carrying value of these tangible fixed assets are detailed in note 10.

### 2. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2020 £	Unrestricted funds 2019 £
Admissions	-	597,049
Trade stand fees	-	487,355
Membership subscriptions and guest badges	72,844	192,952
Sponsorship and prize money contributions	-	169,525
Catering concessions	-	82,581
Entry fees	-	81,975
Car parking	-	38,265
Other income	-	75,239
	<hr/>	<hr/>
	<u>72,844</u>	<u>1,724,941</u>

**ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**3. INCOME FROM OTHER TRADING ACTIVITIES**

	<b>Unrestricted funds 2020 £</b>	<b>Unrestricted funds 2019 £</b>
Land rental and lease income	111,687	118,395
Income from trading subsidiary	174,156	684,845
	<hr/>	<hr/>
	<b>285,843</b>	<b>803,240</b>

The wholly owned trading subsidiary Norfolk Showground Limited is incorporated in England (company number 02814458) and pays all of its profits to the charity under the gift aid scheme. Norfolk Showground Limited is responsible for the holding of and the licensing to hold events on the Norfolk Showground.

The summary financial performance of the subsidiary Norfolk Showground Limited alone is:

	<b>2020 £</b>	<b>2019 £</b>
Turnover	174,156	684,845
Cost of sales and admin costs	(72,700)	(138,865)
Governance costs	(4,280)	(3,150)
Management and licence fees (eliminated on consolidation)	<hr/> (45,385)	<hr/> (418,265)
Net profit	51,791	124,565
Brought forward capital and reserves	1,399	1,399
Amount gift aided to association	<hr/> (51,791)	<hr/> (124,565)
Retained in subsidiary	<hr/> <b>1,399</b>	<hr/> <b>1,399</b>

The assets and liabilities of the subsidiary were as follows:

	<b>2020 £</b>	<b>2019 £</b>
Current assets	215,599	156,018
Current liabilities	(150,450)	(154,619)
Liabilities falling due after more than one year	<hr/> (63,750)	<hr/> -
Total net assets	<hr/> <b>1,399</b>	<hr/> <b>1,399</b>

**ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**4. INVESTMENT INCOME**

	<b>Unrestricted funds 2020 £</b>	<b>Unrestricted funds 2019 £</b>
Dividend income	18,855	27,656
Bank interest receivable	702	3,175
	<hr/>	<hr/>
	<b>19,557</b>	<b>30,831</b>
	<hr/>	<hr/>

**5. OTHER INCOME**

	<b>Unrestricted funds 2020 £</b>	<b>Unrestricted funds 2019 £</b>
Coronavirus Job Retention Scheme	103,041	-
Other	33,419	27,507
	<hr/>	<hr/>
	<b>136,460</b>	<b>27,507</b>
	<hr/>	<hr/>

**ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**6. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES**

The charity is considered to have only one activity which is the promotion of improvement in agriculture and encouragements of agricultural science, research and education.

<b>2020</b>	<b>Direct costs</b>	<b>Support costs</b>	<b>Total 2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Show costs	65,503	-	65,503
Staff costs	234,367	351,551	585,918
Premises costs	91,442	-	91,442
Other costs	176,001	244,154	420,155
	<hr/>	<hr/>	<hr/>
	567,313	595,705	1,163,018
	<hr/>	<hr/>	<hr/>
 <b>2019</b>	 <b>Direct costs</b>	 <b>Support costs</b>	 <b>Total 2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>
Show costs	984,902	-	984,902
Staff costs	252,496	378,744	631,240
Premises costs	262,853	-	262,853
Other costs	229,599	249,724	479,323
	<hr/>	<hr/>	<hr/>
	1,729,850	628,468	2,358,318
	<hr/>	<hr/>	<hr/>

All direct costs were unrestricted in this year and last. Within support costs, £3,082 (2019: £3,082) is restricted expenditure and £592,623 (2019: £625,386) is unrestricted.

**ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**7. SUPPORT COSTS**

<b>2020</b>	<b>Unrestricted £</b>	<b>Restricted £</b>	<b>Total 2020 £</b>
Wages and salaries	351,551	-	351,551
Professional fees	29,340	-	29,340
Insurance	8,924	-	8,924
Postage and telephone	13,397	-	13,397
Other office expenses	8,618	-	8,618
Bank loan interest	9,629	-	9,629
Member loan interest	1,300	-	1,300
Depreciation	157,494	3,082	160,576
<u>Governance costs</u>			
Audit and accountancy services	10,480	-	10,480
Trustees' insurance	1,488	-	1,488
Trustees' meeting expenses	402	-	402
	<hr/>	<hr/>	<hr/>
	592,623	3,082	595,705
	<hr/>	<hr/>	<hr/>
<b>2019</b>	<b>Unrestricted £</b>	<b>Restricted £</b>	<b>Total 2019 £</b>
Wages and salaries	378,744	-	378,744
Professional fees	17,402	-	17,402
Insurance	10,178	-	10,178
Postage and telephone	16,981	-	16,981
Other office expenses	13,839	-	13,839
Bank loan interest	12,304	-	12,304
Member loan interest	1,416	-	1,416
Depreciation	162,687	3,082	165,769
<u>Governance costs</u>			
Audit and accountancy services	10,100	-	10,100
Trustees' insurance	1,428	-	1,428
Trustees' meeting expenses	307	-	307
	<hr/>	<hr/>	<hr/>
	625,386	3,082	628,468
	<hr/>	<hr/>	<hr/>

Support costs are allocated to costs of raising funds and expenditure on charitable activities on a basis which is estimated to be consistent with the use of resources.

**ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**8. STAFF COSTS**

	<b>Total 2020</b>	<b>Total 2019</b>
	<b>£</b>	<b>£</b>
Wages	445,367	507,567
Redundancy payments	12,963	-
Social security	45,673	50,315
Pension costs	78,686	71,148
	<hr/>	<hr/>
	<b>582,689</b>	<b>629,030</b>
	<hr/>	<hr/>

The average number of employees during the year, on head count basis, was as follows:

	<b>2020</b>	<b>2019</b>
Office administration	11	16
Showground maintenance	4	5
	<hr/>	<hr/>
	<b>15</b>	<b>21</b>
	<hr/>	<hr/>

The number of higher paid employees was:

	<b>2020</b>	<b>2019</b>
In the band £90,001 - £100,000	1	1
	<hr/>	<hr/>

The charity trustees were not paid or received any other benefits from the Association or its subsidiary in the year (2019 - £Nil) neither were they reimbursed expenses during the year (2019 - £Nil). No charity trustees received payment for professional or other services supplied to the charity (2019 - £Nil).

The key management personnel of the parent charity, the Association, comprise the trustees, the Chief Executive Officer, the Deputy Chief Executive & Show Director and the Financial Controller. The total employee benefits of the key management personnel of the Trust were £242,329 (2019: £243,157).

The key management personnel of the group comprise those of the Trust and the key management personnel of its wholly owned subsidiaries. The key management personnel of its wholly owned subsidiaries are the same as those of the parent charity.

Royal Norfolk Agricultural Association is committed to paying a former employee a pension contribution of £200/month, for the lifetime of this person. There will be no adjustment for inflation, and there is no next of kin entitlement.

**ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**9. NET INCOME/(EXPENDITURE)**

Net income/(expenditure) is stated after charging:

	<b>2020</b>	<b>2019</b>
Depreciation	173,596	179,210
Profit on sale of fixed assets	10,475	11,000
Auditor remuneration	9,915	9,350
- Audit	1,585	750
- Other financial services		
Operating lease rental costs		
for plant and machinery	10,710	9,495
Operating lease income	<u>111,687</u>	<u>118,395</u>

**10. TANGIBLE FIXED ASSETS**

**Group and Charity:**

	<b>Freehold land</b>	<b>Buildings and improvements</b>	<b>Plant and machinery</b>	<b>Total</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
<b>Cost</b>				
As at 1 January 2020	1,208,867	5,655,737	1,776,197	8,640,801
Additions	-	24,470	1,374	25,844
Disposals	-	-	(15,300)	(15,300)
As at 31 December 2020	<u>1,208,867</u>	<u>5,680,207</u>	<u>1,762,271</u>	<u>8,651,345</u>
<b>Depreciation</b>				
As at 1 January 2020	87,568	3,849,750	1,587,747	5,525,065
Charge for year	-	130,691	42,905	173,596
On disposals	-	-	(15,300)	(15,300)
As at 31 December 2020	<u>87,568</u>	<u>3,980,441</u>	<u>1,615,352</u>	<u>5,683,361</u>
<b>Net book value</b>				
As at 31 December 2020	<u>1,121,299</u>	<u>1,699,766</u>	<u>146,919</u>	<u>2,967,984</u>
As at 31 December 2019	<u>1,121,299</u>	<u>1,805,987</u>	<u>188,450</u>	<u>3,115,736</u>

Net book value of plant and machinery held under hire purchase obligations is £26,377 (2019: £34,097)

**ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**11. INVESTMENTS**

	<b>Group</b>		<b>Charity</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>		
Listed investments	766,862	781,173	766,862	781,172
Subsidiary undertakings	-	-	3	3
Investment in associated undertakings	286,587	286,587	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	1,053,449	1,067,760	766,865	781,175
	<hr/>	<hr/>	<hr/>	<hr/>

**Listed securities**

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
As at 1 January 2020	781,173	696,440
Additions	170,326	103,377
Disposals at market value	(186,084)	(86,882)
Unrealised gain/(loss) on revaluation	1,447	68,238
	<hr/>	<hr/>
	766,862	781,173
	<hr/>	<hr/>

The historical cost of the investments at 31 December 2020 is £626,949 (2019: £631,649).

Listed securities comprise:

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
UK Government stocks	60,960	91,609
Sterling bonds	47,951	68,338
UK listed equities	657,951	621,226
	<hr/>	<hr/>
	766,862	781,173
	<hr/>	<hr/>

**ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**11. INVESTMENTS (continued)**

**Subsidiary undertakings**

The following were subsidiary undertakings during the year:

	Holding
Norfolk Showground Limited (02814458) (note 3)	100%
Norfolk Showground Developments Limited (08977136)	100%

Norfolk Showground Developments Limited was dormant for the year ended 31 December 2020 (2019: dormant) and the aggregate of assets, liabilities and funds totalled £1 (2019: £1).

**Investment in associated undertakings**

The Group's investment in associated undertakings above represents the 22.02% interest held by Norfolk Showground Developments Ltd in ELC JV LLP.

ELC JV LLP was formed by four landowners in the Easton area to exploit their land to gain maximum return from obtaining planning permission on a larger single site than on four smaller separate sites. ELC JV LLP has an option to purchase a proportion of the land owned by the Association.

At 31 December 2020 the company had loaned £286,587 (2019: £286,587) to Norfolk Showground Developments Ltd, which in turn had introduced capital of £286,587 (2019: £286,587) to the LLP.

The LLP has not received any income (2019: £Nil) or incurred any expenditure (2019: £Nil). All capital introduced into the LLP from Norfolk Showground Developments Ltd is held by the LLP in the form of fixed and current assets.

The accounting reference date of the LLP is 31 July 2020.

Post year end, the land sale was completed. See note 26 for further details.

**12. DEBTORS**

	<b>Group</b>		<b>Charity</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	6,055	53,234	435	5,533
Amounts owed from group undertakings	-	-	286,587	286,587
Prepayments and accrued income	128,868	176,615	121,186	168,630
Other debtors	41,077	38,935	18,083	38,935
	<hr/>	<hr/>	<hr/>	<hr/>
	176,000	268,784	426,291	499,685
	<hr/>	<hr/>	<hr/>	<hr/>

**ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group</b>		<b>Charity</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans	52,172	40,119	49,672	40,119
Obligations under hire purchase	6,344	5,802	6,344	5,802
Trade creditors	62,215	65,955	51,381	51,101
Accruals and deferred income	173,465	282,875	27,662	168,784
Social security and other taxes	25,408	65,830	21,547	43,858
Amounts owed to group	-	-	172,827	67,214
Other creditors	284,573	7,588	280,872	3,887
	<u>604,177</u>	<u>468,169</u>	<u>610,305</u>	<u>380,765</u>

Deferred income comprises income received in advance relating to membership, rent and trade stands planned for January 2021 onwards.

	<b>Group</b>		<b>Charity</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Balance brought forward	252,167	207,601	142,372	115,251
Amount released during the year	(252,167)	(207,601)	(142,372)	(115,251)
Amount deferred in the year	147,203	252,167	7,024	142,372
	<u>147,203</u>	<u>252,167</u>	<u>7,024</u>	<u>142,372</u>

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	<b>Group</b>		<b>Charity</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Bank loans due between 2 and 5 years	415,789	175,351	375,789	175,351
Other loans due between 2 and 5 years	62,350	62,350	62,350	62,350
Hire purchase due between 2 and 5 years	14,234	20,578	14,234	20,578
Bank loans due after more than 5 years	152,575	118,244	145,075	118,244
	<u>644,948</u>	<u>376,523</u>	<u>597,448</u>	<u>376,523</u>

ROYAL NORFOLK AGRICULTURAL ASSOCIATION

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (continued)**

The bank loan is secured against the Charity's fixed asset listed investment portfolio. The loan is repayable in 180 consecutive monthly instalments over 15 years, ending in February 2028, after a 9 month capital repayment holiday. Interest is payable at 2.75% above the Bank of England base rate per annum.

The Charity borrowed a Coronavirus Business Interruption Loan during the year which is secured by a fixed and floating charge over the Charity's assets. The loan is repayable in 60 consecutive monthly instalments, after a 12 month holiday period, over 6 years, ending in September 2026.

The Charity's subsidiary, Norfolk Showground Limited borrowed a Bounce Back Loan during the year. The loan is repayable in 60 consecutive monthly instalments, after a 12 month holiday period, over 6 years, ending in September 2026.

The other loans are from the Charity's Members and others. Of these other loans £10,850 (2019: £10,850) are interest free and £51,500 (2019: £51,500) are interest bearing. Interest is payable on the interest bearing loans at 2% above the Bank of England base rate per annum. These loans are unsecured and are repayable on 12 months notice given in writing by the loan note holder or at the discretion of the Charity.

**15. BANK AND OTHER LOANS**

Financial instruments measured at amortised cost comprise the loan financing provided by Lloyds Bank Plc and the members to the Association (note 13).

	2020 £	2019 £
Loans payable falling due within 1 year	52,172	40,119
Loans payable falling due in more than 1 year but less than 5 years	478,139	237,701
Loans payable falling due after 5 years	152,575	118,244
	<hr/>	<hr/>
	682,886	396,064
	<hr/>	<hr/>

The market risk facing the Association is that it is expected that interest rates will rise due to the global COVID-19 pandemic.

**ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**16. FINANCE LEASE**

Future minimum lease payments at the end of the reporting year are analysed as follows.

	<b>2020</b>	<b>2019</b>
	<b>£</b>	<b>£</b>
Not later than one year	6,344	5,802
Later than one and not later than five years	14,234	20,578
	<hr/>	<hr/>
	<b>20,578</b>	<b>26,380</b>
	<hr/>	<hr/>

The lease is over a period of five years with equal annual repayment instalments. At the termination of the lease there is an option for purchase.

**17. RESTRICTED FIXED ASSET FUND**

<b>2020</b>	<b>Opening balance</b>	<b>Income</b>	<b>Expenditure</b>	<b>Closing balance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Norfolk Showground Arena Project	52,393	-	(3,082)	49,311
Norfolk Agricultural Association Norwich Plate	1,420	-	-	1,420
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>53,813</b>	<b>-</b>	<b>(3,082)</b>	<b>50,731</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>2019</b>	<b>Opening balance</b>	<b>Income</b>	<b>Expenditure</b>	<b>Closing balance</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Norfolk Showground Arena Project	55,475	-	(3,082)	52,393
Norfolk Agricultural Association Norwich Plate	1,420	-	-	1,420
	<hr/>	<hr/>	<hr/>	<hr/>
	<b>56,895</b>	<b>-</b>	<b>(3,082)</b>	<b>53,813</b>
	<hr/>	<hr/>	<hr/>	<hr/>

**ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**18. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS**

<b>2020</b>	<b>General fund £</b>	<b>Restricted fixed asset £</b>	<b>Total £</b>
Fixed assets	3,970,702	50,731	4,021,433
Cash at bank and hand	535,580	-	535,580
Other current assets/liabilities	(427,395)	-	(427,395)
Creditors more than one year	(644,948)	-	(644,948)
	<hr/>	<hr/>	<hr/>
	3,433,939	50,731	3,484,670
	<hr/>	<hr/>	<hr/>
<b>2019</b>	<b>General fund £</b>	<b>Restricted fixed asset £</b>	<b>Total £</b>
Fixed assets	4,129,683	53,813	4,183,496
Cash at bank and hand	579,143	-	579,143
Other current assets/liabilities	(198,595)	-	(198,595)
Creditors more than one year	(376,523)	-	(376,523)
	<hr/>	<hr/>	<hr/>
	4,133,708	53,813	4,187,521
	<hr/>	<hr/>	<hr/>

**19. OPERATING LEASE COMMITMENTS**

At 31 December 2020, the group had future minimum lease payments under non-cancellable operating leases for plant and machinery as follows:

	<b>2020 £</b>	<b>2019 £</b>
Within one year	10,710	10,710
Between 2 and 5 years	<u>25,869</u>	<u>36,579</u>

At 31 December 2020, the group had future minimum lease receipts under non-cancellable operating leases for land as follows:

	<b>2020 £</b>	<b>2019 £</b>
Within one year	69,816	69,816
Between 2 and 5 years	269,664	260,064
More than five years	<u>1,157,658</u>	<u>1,222,674</u>

All of the operating leases were held within the parent company only.

**ROYAL NORFOLK AGRICULTURAL ASSOCIATION**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2020**

**20. NET DEBT**

Analysis of group net debt

	<b>At start of year £</b>	<b>Cashflows £</b>	<b>New Loans £</b>	<b>At end of year £</b>
Cash	579,143	(43,563)	-	535,580
Loans falling due within one year	(40,119)	2,180	(14,233)	(52,172)
Loans falling due after more than one year	(355,945)	10,998	(285,767)	(630,714)
Finance lease obligations	(26,380)	5,802	-	(20,578)
	<u>156,699</u>	<u>(24,583)</u>	<u>(300,000)</u>	<u>(167,884)</u>

Analysis of company net debt

	<b>At start of year £</b>	<b>Cashflows £</b>	<b>New Loans £</b>	<b>At end of year £</b>
Cash	546,813	(16,930)	-	529,883
Loans falling due within one year	(40,119)	2,180	(11,733)	(49,672)
Loans falling due after more than one year	(355,945)	10,998	(238,267)	(583,214)
Finance lease obligations	(26,380)	5,802	-	(20,578)
	<u>124,369</u>	<u>2,050</u>	<u>(250,000)</u>	<u>(123,581)</u>

**21. CAPITAL COMMITMENTS**

The Association had capital commitments authorised and contracted as at 31 December 2020 of £Nil (2019: £21,342).

**22. PENSION COMMITMENTS**

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension costs charge represents contributions payable by the group to the fund and amounted to £78,686 (2019: £71,148).

**23. RELATED PARTY TRANSACTIONS**

Owing to the nature of the Association's activities and the composition of the board of trustees, transactions have taken place with entities in which trustees have an interest. However, in accordance with the Charities Statement of Recommended Practice (FRS102), disclosure of these transactions is not required if the trustees do not have control over the other entities.

## ROYAL NORFOLK AGRICULTURAL ASSOCIATION

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

#### 23. RELATED PARTY TRANSACTIONS (continued)

Food and Farming Discovery Trust (FFDT) is a related party as C S J Scott, S D A Griffiths (Trustees) and G S Smith (Chief Executive RNAA) are Trustees. During the year the association commissioned activity from FFDT amounting to £Nil (2019: £8,000) and secretarial support was also given to FFDT during the year and amounting to £Nil (2019: £927). Recharged salary costs were also made totalling £Nil (2019: £27,472) and other expenses during the year recharged totalling £420 (2019: £Nil). At 31st December 2020 FFDT owed the Association a balance of £12,570 (2019: £12,150) and is included within Other Debtors of the Association.

RNAA also acted as an agent on behalf of FFDT during the financial year, with income being received totalling £40,250 and expenditure being incurred totalling £22,273, through a designated bank account. At 31st December 2020 the cash balance was held on behalf of FFDT of £22,422 (2019: £4,445).

Glen Lodge Bawburgh Limited (Glen Lodge) is a related party as F L Broom, a Trustee of the Association, is a close family member of the controlling party of Glen Lodge. During the year the Association received land rental and lease income from Glen Lodge of £105,467 (2019: £103,095). At 31<sup>st</sup> December 2020 Glen Lodge owed the Association £10,811 (2019: £10,253) and is included in Prepayments and Accrued Income.

No other related party transactions have occurred in the financial year (2019: £Nil).

#### 24. AGENCY ARRANGEMENTS

In July 2020, the Association should have hosted the 29th Commonwealth Agricultural Conference on behalf of the Royal Agricultural Society of the Commonwealth (RASC), however this was cancelled due to the pandemic. During the year income was received totalling £29,819 (2019: £32,629), although delegates were refunded £56,203 (2019: £Nil) due to the cancellation. Expenditure was incurred on behalf of RASC of £31,734 (2019: £44,846) and refunds on expenditure were received and retained by RNAA, totalling £27,421 (2019: £Nil). RASC repaid RNAA £67,922 in the year (2019: £Nil), leaving a net amount was owed to the Association of £Nil at the year-end (2019: £17,617).

#### 25. CONTINGENT LIABILITIES

The charity is part of a group VAT registration and therefore is potentially liable for the VAT of the subsidiary. As at 31 December 2020, its subsidiary, Norfolk Showground Limited had a creditor relating to VAT of £3,861 (2019: £21,972).

#### 26. POST BALANCE SHEET EVENT

As noted in the trustees report, over the past years, the charity has been working on plans regarding the future development of land for housing around the village of Easton, through its subsidiary NSDL. On 17 May 21 the land sale completed, and as a result, the Norfolk Showground Developments Limited received an initial figure of £1,472,298. A further £923,004 is expected to be received in the coming years as deferred consideration. In due course, all profits on the sale will be donated to the parent charity. Additionally, there is deferred consideration for land owed to the charity of £1,050,805.