

The Hertfordshire Agricultural Society

(A Charitable Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2020

Charity number: 291037

Company number: 01872574

Mercer
&Hole

CONTENTS

	Page
Trustees' Report	3
Independent Examiner's Report	8
Statement of Financial Activities	9
Balance Sheet	10
Statement of Cash Flows	11
Notes to the Financial Statements	12

TRUSTEES' REPORT

The Trustees, who are also the directors of the Charity for the purposes of the Companies Act, submit their Annual Report together with the audited financial statements for the year ended 31st August 2020. The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, 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), Update Bulletin 1.

Reference and Administrative Details

Charity number: 291037
Company number: 01872574

The registered address for the Charity is also the principal office address, which houses the Central Support team:

The Showground
Dunstable Road
Redbourn
St Albans
Hertfordshire
AL3 7PT

The Trustees & Directors who served during the period were as follows:

William James Barr
William John Dickinson
Dr Stephen Ridley Dowbiggin
Charles Richard Percy
Joanna Gail Smith
Lucie Jane Deborah Stone
Kevin Samuel White
James Alexander Williams

The Trustees delegate the day-to-day management of the charity to:

Sarah-Louise Mary Moreland	Executive Director
Diana Mary Smart	Financial Controller (retired 31 October 2020)
Lucy Chambers	Equine & Communications Secretary
Michelle Dawn Manning	Trade Exhibitor Secretary
Angela Patricia Speirs	Livestock & Membership Secretary

Independent Examiner: Andrew Lawes
Mercer and Hole Chartered Accountants
72 London Road
St Albans
Hertfordshire
AL1 1NS

TRUSTEES' REPORT

OBJECTIVES AND ACTIVITIES

Objectives and aims

The objects of the Charity are: to promote industry in general and the rural and agricultural industry in particular; to encourage the development of skills and knowledge in all trades, crafts, and professions connected with rural life.

Significant activities

The Charity runs the Hertfordshire Agricultural Society, the principal activity of which is to stage the Annual County Show to deliver the charitable objectives. The show income covers the fixed costs of the Society and the cancellation of the show in 2020 coupled with the loss of income caused by the inability to let the showground has been a major and enduring concern for the Trustees this year. With most of the office staff on the Government Furlough scheme and only the Executive Officer working short time, on a pared salary, the Society activities have been significantly curtailed. Notwithstanding these difficulties the Society was able to run an innovative and engaging "virtual show" which genuinely engaged with a wide audience inside the County, the UK and even overseas. The lifting of Government restrictions in late summer allowed some showground income to be generated from car boot sales and a new Drive-In Movie offering but the main 2020 events were lost. There is hope that restrictions will be removed for the 2021 season and there are a number of events booked and promising enquiries are ongoing but the "second wave" in the last quarter of 2020 show that the pandemic is far from over.

Ensuring Our Work Delivers Our Aims

The restrictions caused by the 2020 pandemic and the effects on the financial strength of the charity will need time to be recovered. The Trustees adopted a five-year strategy last year, the aims of which remain cogent; central to the plan is the need to build financial strength to further develop the work of the charity. The Executive Director is pursuing active measures to make the Society more resilient to the events experienced in 2020. That all activity had to cease in 2020, including the Schools Day, is a source of frustration to the Executive Director and the Trustees but plans to strengthen and develop the Society have been furthered. Central to this is the pursuit of planning permission to allow more let days on the showground.

Public benefit

The Trustees are fully aware of the Charity Commission published guidance regarding the requirement for a charity, such as the Society, to operate for the Public Benefit. The enforced cancellation of the show as a result of Covid-19 restrictions has made it difficult for the Society to deliver its objectives as it would normally have done. The virtual show event went some way to replace the physical show, but the Trustees want to return to the tried and tested format of the County Show as soon as can realistically be achieved. Plans to develop the Society's public benefit by providing an educational day for schoolchildren will also be revived as soon as possible.

Fundraising and Income generation.

The principal source of funds for the Society is the County Show and clearly the cancellation cut off this source of funds. A number of sponsors, traders and members of the public who had paid in advance left their money with the Society despite the cancellation, and these funds are held as a prepayment on a future event or have been donated. This has been very beneficial to the Society and the Trustees are very grateful. As mentioned above the Showground letting income has also been badly affected by Covid-19 restrictions as can be seen from the financial result from Hertfordshire Showground Limited.

Acknowledgements

The Trustees would like to record grateful thanks to our Society Patron, Mr. Richard Walduck, for his on-going thoughtful support and kind generosity to the Hertfordshire Agricultural Society.

The Society is indebted to our President Professor Quintin McKellar CBE, for the support, advice and help he has provided during this difficult year and for hosting last year's AGM. He very kindly supplied the opening sequence for the Virtual Show in May as well.

TRUSTEES' REPORT

The Hertfordshire Agricultural Society would also like to record thanks for all the support received from the Lord Lieutenant of Hertfordshire, Mr. Robert Voss CBE who, after choosing last year's County Show as the platform for the "Lord Lieutenant of Hertfordshire Entrepreneurs Challenge", kindly hosted the competition amongst the 2020 finalists at this year's Virtual Show. The finalists will be invited to attend the 2021 show and they are already receiving business guidance and support from the University & Hertfordshire Chamber of Commerce as part of the award.

The Trustees remain ever grateful to our many sponsors, donors and members for their continued support.

Internal and external factors

The Society continues to work within the new governance structure formed three years ago. Responsibility for the direction of the Society remains with the Board of Trustees. They have met several times to consider the ramifications of each new regulation as the pandemic has developed. The Show committee remains resolute in its desire to offer a show next year but will keep appraised of changes to government regulations and guidance to ensure that any and all events are compliant.

Market Value of Land and Building

The current market value of the land owned by the Society is assessed at £700,000, valued as agricultural land in the condition as it stands today. The office building has a book value in the accounts, after annual depreciation, at £192,000 which is considered to be a fair market value.

Financial review

Principal funding sources

The principal funding sources for the Charity are generated by the Show, from traders, sponsors and ticket sales. Society members contribute a subscription. Hertfordshire County Showground Limited is a wholly owned company through which the showground is let to third parties and net revenues are passed to the Society in the form of a donation.

Investment policy and objectives

There are currently no funds invested with the purpose of earning additional income for the charity. The cash reserve that the Society holds is held in an ordinary deposit account.

Reserves policy

The charity is aiming to build reserves to a level which would provide it with a measure of resilience in the event of a lost show or poor attendance.

Going concern

The financial statements have been prepared on a going concern basis. In making this assessment, the Trustees have prepared detailed trading and cashflow forecasts for the period to 31 December 2021. These forecasts have been scenario tested to take into account the possible impact of COVID-19 on activities going forward. Mitigating actions have been taken to protect the Society against the worstcase scenarios and the Trustees remain cognizant of financial risk presented to the Society by an ongoing, long tail pandemic. The Trustees are of the view that the charity will be able to meet its obligations as they fall due over this twelve month period.

Impact of COVID-19

In the build up to the planned 2020 show, prior to the government lockdown, the Society and the Show were on target for a positive year. Anticipated income from Trade stands was £10K up on 2019, income from online ticket sales was being generated at a modest improvement on the previous years. A new strategy was in place to attract more sponsors and, overall, the Show was on track against budget.

The decision to cancel the 2020 Show was taken after much consideration and consultation both with Trustees, Staff, Stewards and the wider show community in other show organisations. The financial commitment to run the show coupled with the risk of having to cancel at last minute precluded a postponement of the show which as the pandemic developed proved to be a sound decision.

Robust action was taken following the decision to cancel in order to reduce the operational costs of the Society. This included accessing the Furlough scheme with immediate effect for two members of staff with a further two members of staff placed on furlough in May once refunds were made and the process for those who decided to leave cash with the society, to roll over to 2021, had been completed.

TRUSTEES' REPORT

Discussions then took place with Trustees, and it was decided to launch a Virtual Show. An enormous debt of gratitude is owed by the Society to our Executive Director, to Harris Digital and Croft Communication and to many others for the hugely successful running of the First County Virtual Show. With over 1000 entries from across the globe, from Hertfordshire to the whole of the United Kingdom and beyond, from America to Africa. The competitive element of our traditional show was maintained. The 'Night Before' event was replaced by a lunchtime Webinar, hosted by our Chief Steward, Stuart Roberts and our Chair elect Richard Percy. It brought some thoughtful and thought-provoking debate coupled with a good chunk of entertainment too and we are grateful to "The Red Shepherdess", the Hertfordshire, Watford & St Albans Chambers of Commerce, local MPs Bim Afolami & Daisy Cooper and representatives from local restaurants and food banks. The Virtual Show had over 64,000 "hits" – exceeding the score of many subsequent events run by many of our illustrious competing County Show organisations. Donations from Stewards, competitors and sponsors helped us to raise in excess of £8,000 on the event.

Plans for the "Schools Day" had to be abandoned. The funding for this day has been ring fenced and the Society is committed to holding the event next year. Contacts within the education system of the County continue and whilst the "Schools Day" may not be quite how it was first imagined last year due to COVID regulation, Trustees remain confident that such a day has much to offer the school children of the County in terms of both educating them and meeting the charitable objectives of the Society.

In order to further make savings the Executive Director had taken a pay cut and later placed on furlough and more recently accessed the 'flexible furlough' option in order to maintain activity on the Showground. Further decisions were made regarding the administrative costs and the role of Equine & Communication Secretary has been made redundant. This will be replaced by sub-contractors and therefore not on payroll, in addition the role of financial controller will also be sub contracted due to the announcement of the post holder's retirement. The Society board of Trustees and Director would like to thank Mary Smart for her hard work and dedication over the last 36 years.

A planning application was submitted to the local council with significant local support, this is to increase the number of days for events, including set up and de-rig to 125 days. This will enable the Society to generate more funds, build reserves and ensure the educational offer is sustainable long term. In previous years the income from showground lettings supported the operational and administrative costs of the Society and the Show. The Trustees and Director with the support of the Show Committee have reviewed the operational costs of running a show, including the administrative savings outlined above in order that the costs of running the Show and the Society has a loss no greater than £10,000 and the income from the Showground is developed.

The budgeting for the 2021 show has been completed to achieve the desired outcome with reduced costs, alongside further financial modelling of various scenarios dependent on the Government decisions regarding outdoor events in 2021 and the potential impact of the recession. This will enable the Society to run a show and have the income support from the Showground as has been done in the past whilst working towards rebuilding our reserves which will take more than a year to recover from.

In addition to the plans outlined above, the Director has applied for a Bounce Back Loan and cash flow forecasts have been completed up to December 2021.

Further plans are in place to market and promote the Showground as a venue for outdoor events, this has not been done in a significant way in the past due to the restrictions in the number of days available. A broad range of events are considered from music, to motor vehicle to running corporate events are all considered. With the current climate and restrictions on indoor activity, outdoor events are likely favoured options for 2021.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

Originally founded on 22 July 1801 the Society was joined by the Tring and Watford Show in 1945. The Society owns 70 acres of Showground alongside the A5183 (A5) road, to the north of Redbourn and near Junction 9 of the M1, where the County Show has been held since 1962. On the 4th April 1930, the Society was re-constituted as a trust with Charitable Status, but it became necessary to revise this, and on the 18th December 1984 the Society was incorporated as a Company Limited by Guarantee and is, therefore, governed by a Memorandum & Articles of Association. The Society remains a registered charity. The Charity's object and its principal activity continues to actively support the promotion, education and better understanding of farming, agriculture and the country way of life in Hertfordshire today. This primary objective is achieved by organising the annual Hertfordshire County Show.

Society Membership

Current members made up of 71 Vice Presidents, 13 Honorary Vice Presidents, 64 Members, 53 Joint Members, 33 Family Members, 9 Club 26 Members and 4 Child Members.

TRUSTEES' REPORT

Recruitment and appointment of new Trustees

The directors of the company are also charity Trustees for the purpose of charity law and under the company's Articles are known as the Board of Trustees. The Board of Trustees shall be composed of no fewer than four and not more than ten competent persons comprising:

- The Chair
- The Chair Elect
- The Chair of the Activity Committee
- The Chair of the Show Committee
- Up to three elected Trustees
- Up to two external Trustees and
- The retiring Chair (Past Chair), providing that he or she agrees to remain on the Board and subject to the approval of the incoming Chair.

The Trustees may from time to time at their discretion determine any criteria for appointment as a Trustee.

Organisational structure

The Hertfordshire Agricultural Society has a Board of Trustees, this is headed by a Chair (Will Dickinson) and two sub-committees, the Activity Committee (Lucie Stone) and the Show Committee (Jo Smith).

The day to day running of the charity is undertaken by the Executive Director, Sarah Moreland. She is responsible for ensuring that the charity is managed effectively in accordance with the strategic direction as set out by the Board of Trustees.

The Trustees, the Executive Director and the stewards and Members will want to join with me in recognizing the formal intent of our Financial Controller, Mary Smart who has decided to retire from the office. After thirty six years of loyal, unstinting and hugely knowledgeable service her work for the Society has been without parallel and she will leave a space that will take some filling.

It is with regret that due to the cost implications of the pandemic the office has had to restructure the role of the Equine & Communications Secretary. This post is no longer tenable and Lucy Chambers has been made redundant. The Trustees, stewards and Members will join with me in thanking her for her diligent and cheerful work in the office and wish her all the very best for the future.

Induction and training of new Trustees

All new Trustees are invited and encouraged to attend a short training session to familiarise themselves with the charity, together with the context within which it operates. These are jointly led by the Chair of the Board of Trustees and the Executive Director, and cover:

- The obligations of the Board of Trustees
- The Operational framework for the charity including the Memorandum and Articles
- Resourcing and the current financial position as detailed in the latest published financial statements
- Future plans and objectives

Wider network

The Show maintains links with other shows but is not tied to these in any way. However, the Trustees and the Executive Director are keen to promote collaboration with other shows and their organising officers to promote the sharing of best practise and resources for the benefit of traders, competitors and visitors.

Related parties

Herts County Showground Limited is a wholly owned subsidiary of the Charity. It is responsible for the letting of the showground and all profits are donated to the Charity.

W.J. Dickinson

W J Dickinson
Trustee

Date: 17-11-20

INDEPENDENT EXAMINER'S REPORT

Independent Examiner's Report to the Trustees of The Hertfordshire Agricultural Society

I report to the charity Trustees on my examination of the financial statements of the charity for the year ended 31 August 2020 which are set out on pages 9 to 23.

Responsibilities and basis of report

As the charity's Trustees you are responsible for the preparation of the financial statements in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's financial statements carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

I have completed my examination. I confirm that no material matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

- accounting records were not kept in respect of the charity as required by section 130 of the Act; or
- the financial statements do not accord with those records; or
- the financial statements do not comply with the applicable requirements concerning the form and content of financial statements set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the financial statements give a 'true and fair view' which is not a matter considered as part of an independent examination.

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the financial statements to be reached.

Andrew Lawes MA MSc FCA
Mercer & Hole Chartered Accountants
72 London Road
St Albans
Hertfordshire
AL1 1NS

Date:

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

	Note	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Income and Expenditure					
INCOME:					
Donations and legacies	3	76,469	-	76,469	35,992
Income from charitable activities	4				
Show		6,170	-	6,170	420,262
Other trading activities		31,615	-	31,615	120,665
Other income		15,000	-	15,000	15,000
Investment income	5	362	-	362	277
Total Income		<u>129,616</u>	<u>-</u>	<u>129,616</u>	<u>592,196</u>
EXPENDITURE:					
Raising funds	6	275,051	-	275,051	301,869
Expenditure on charitable activities					
Show	7	19,675	-	19,675	313,937
Governance costs	8	2,450	-	2,450	2,796
Total Expenditure		<u>297,176</u>	<u>-</u>	<u>297,176</u>	<u>618,602</u>
Net expenditure		(167,560)	-	(167,560)	(26,406)
Other recognised gains/(losses)					
Gains on revaluation of fixed assets		295,000	-	295,000	-
Net movement in funds		<u>127,440</u>	<u>-</u>	<u>127,440</u>	<u>(26,406)</u>
Reconciliation of funds					
Total funds brought forward		847,822	-	847,822	874,228
Total funds carried forward		<u>975,262</u>	<u>-</u>	<u>975,262</u>	<u>847,822</u>

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

The accompanying accounting policies and notes form an integral part of the financial statements.

A breakdown of the 2018 comparatives can be found in note 20 of these financial statements.

The Hertfordshire Agricultural Society
Financial statements for the year ended 31 August 2020

BALANCE SHEET

	Note	2020	2019
		£	£
Fixed Assets			
Intangible assets	11	7,542	4,924
Tangible assets	12	964,740	727,797
Investments	13	1	1
		<u>972,283</u>	<u>732,722</u>
Current Assets			
Stocks		922	4,850
Debtors	14	48,025	43,231
Cash at bank and in hand		<u>68,156</u>	<u>89,039</u>
Total Current Assets		<u>117,103</u>	<u>137,120</u>
Creditors:			
Amounts falling due within one year	15	<u>(114,124)</u>	<u>(22,020)</u>
Net Current Assets		<u>2,979</u>	<u>115,100</u>
Total Assets less Current Liabilities		<u>975,262</u>	<u>847,822</u>
Net Assets		<u>975,262</u>	<u>847,822</u>
The funds of the charity			
Unrestricted Funds	16/17	267,689	435,249
Revaluation Reserve	16/17	<u>707,573</u>	<u>412,573</u>
Total Charity Funds		<u>975,262</u>	<u>847,822</u>

Approved by the Board of Trustees on



W J Dickinson

Trustee

Company number: 01872574

STATEMENT OF CASH FLOWS

	Note	2020 £	2019 £
Cash used in operating activities			
Cash generated from operations	18	(9,636)	(24,706)
Interest paid		(1,459)	(1,378)
Net cash used in operating activities		<u>(11,095)</u>	<u>(26,084)</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(6,773)	-
Purchase of tangible fixed assets		(2,059)	(18,043)
Interest received		206	121
Net cash used in investing activities		<u>(8,626)</u>	<u>(17,922)</u>
Decrease in cash and cash equivalents in the year		(19,721)	(44,006)
Cash and cash equivalents at the beginning of the year		87,877	131,883
Cash and cash equivalents at the end of the year		<u>68,156</u>	<u>87,877</u>
Cash at bank and in hand		68,156	89,039
Overdraft balance in creditors		-	(1,162)
		<u>68,156</u>	<u>87,877</u>

NOTES TO THE FINANCIAL STATEMENTS

1. Legal Form

The Hertfordshire Agricultural Society is a private company limited by guarantee without share capital and with exemption from the use of 'Limited'. The charity is incorporated in England and Wales and the registered office is The Showground, Dunstable Road, Redbourn, St Albans, Hertfordshire, AL3 7PT. The liability of each Trustee is limited to contributing £1 to the assets of the Charity in the event of it being wound up while a trustee, or within one year after ceasing to be a trustee.

At 31 August 2020, the number of Trustees was 8 (2019: 9).

2. Accounting Policies

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

a) Basis of preparation

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland and the Companies Act 2006.

The Hertfordshire Agricultural Society meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

b) Preparation of the financial statements on a going concern basis

The financial statements have been prepared on a going concern basis. In making this assessment, the Trustees have prepared detailed trading and cashflow forecasts for the period to 31 December 2021. These have been flexed to take into account the possible impact of COVID-19 on activities and mitigating actions that can be taken as necessary and show that the charity expects to be able to meet its obligations as they fall due over this period.

c) Donations

Monetary donations are accounted for when received or when they meet the definition of income in part (d) below.

A number of individuals donate their time for the organisation and operation of the County Show. It is not felt that any reliable value can be placed on their time so these donated services are not recognised in the financial statements.

d) Income

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

e) Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Charity; this is normally upon notification of the interest paid or payable by the Bank.

NOTES TO THE FINANCIAL STATEMENTS

2. Accounting Policies (continued)

f) Fund accounting

Unrestricted funds are available to spend on activities that further any of the purposes of Charity. Restricted funds are donations which the donor has specified are to be solely used for particular areas of the Charity's work or for specific projects being undertaken by the Charity.

g) Expenditure

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 classified under the following activity headings:

1. Cost of raising funds comprises the cost of all activities not directly attributable to the Hertfordshire County Show including all staff and administration costs.
2. Expenditure on charitable activities comprises all costs directly attributable to the organisation and hosting of the Hertfordshire County Show including independent examination fees and other non-audit service costs.

h) Governance costs

Governance costs include independent examination fees and other services delivered by the Independent Examiner. These costs have been allocated to expenditure on charitable activities and are set out in note 8.

i) Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

j) Tangible fixed assets

Individual 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 over their useful economic lives on a straight line basis as follows:

Asset Category	Annual rate
Freehold Property (Building)	2% of cost
Showground Improvements	10% of cost
Show Equipment	25% of cost
Office Equipment	25% of cost

A professional & independent valuation (RICS) was carried out on the freehold land & building on 24th May 2017. The land was revalued as agricultural land at £405,000 after deducting the costs to remove the hard standing areas and the Building was revalued at £200,000. The land was further revalued by £295,000 during this year to a value of £700,000 and the Trustees consider the depreciated value of the Building of £192,000 to be a fair reflection of its market value.

k) Intangible fixed assets

Intangible assets are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses. All intangible fixed assets are amortised on a straight line basis over the estimated economic life of 4 years.

NOTES TO THE FINANCIAL STATEMENTS

2. Accounting Policies (continued)

l) Investments

The company owns 100% of the share capital of Herts County Showground Limited. This is included in unlisted investments at cost.

m) Stock

Stock is included at the lower of cost or net realisable value, after making due allowance for obsolete or slow moving items.

n) Debtors

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

o) 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.

p) Creditors and provisions

Creditors and provisions are recognised where the Charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors and provisions are normally recognised at their settlement amount after allowing for any trade discounts due.

q) Financial instruments

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

r) Pension costs

The Charity operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the Charity. The annual contributions payable are charged to the statement of financial activities in the period to which they relate.

s) Taxation

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

t) Grants

Government and other grants are recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably.

NOTES TO THE FINANCIAL STATEMENTS

3. Income from donations and sponsors

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Sponsors & donors	11,101	-	11,101	35,992
Grants	65,368	-	65,368	-
	<u>76,469</u>	<u>-</u>	<u>76,469</u>	<u>35,992</u>

Grants includes £40,368 (2019: £nil) received under the Government furlough scheme.

4. Income from charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Show				
Trade stands	-	-	-	113,072
Entrance & entry fees	6,170	-	6,170	300,369
Hire of equipment	-	-	-	6,821
	<u>6,170</u>	<u>-</u>	<u>6,170</u>	<u>420,262</u>
Other Trading Activities				
Members subscriptions	14,765	-	14,765	18,332
Donation from Herts Showground	16,850	-	16,850	102,333
	<u>31,615</u>	<u>-</u>	<u>31,615</u>	<u>120,665</u>
Other Income				
Management fee	15,000	-	15,000	15,000
	<u>52,785</u>	<u>-</u>	<u>52,785</u>	<u>555,927</u>

5. Investment Income

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Wayleaves	156	-	156	156
Bank interest received	206	-	206	121
	<u>362</u>	<u>-</u>	<u>362</u>	<u>277</u>

NOTES TO THE FINANCIAL STATEMENTS

6. Cost of raising funds

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
Staff costs	159,606	-	159,606	168,706
Subcontract labour	410	-	410	-
Rates, electricity, water & fuel	3,694	-	3,694	8,972
Insurance	7,218	-	7,218	20,410
Telephone	4,754	-	4,754	4,612
Postage & stationery	6,768	-	6,768	7,228
Showground maintenance	7,263	-	7,263	30,359
Legal & professional	5,763	-	5,763	750
HR and training	645	-	645	1,151
Subscriptions	777	-	777	2,159
Office expenses	7,384	-	7,384	6,612
Donations made	100	-	100	1,351
IT	4,215	-	4,215	6,750
Depreciation and amortisation	64,271	-	64,271	38,900
Bank charges and interest	2,183	-	2,183	3,909
Total expenditure	275,051	-	275,051	301,869

7. Expenditure on charitable activities

	Unrestricted Funds £	Restricted Funds £	Total 2020 £	Total 2019 £
2020 County Show	19,675	-	19,675	313,937
	19,675	-	19,675	313,937

8. Expenditure on governance costs

	2020 £	2019 £
Independent examination fees	1,170	1,770
Other non-audit services	1,280	1,026
	2,450	2,796

NOTES TO THE FINANCIAL STATEMENTS

9. Net movement in funds

This is stated after charging:	2020 £	2019 £
Independent examination fees	1,170	1,770
Other non-audit services	1,280	1,026
Depreciation	60,116	36,439
Amortisation	4,155	2,461
	<u>66,721</u>	<u>41,696</u>

10. Analysis of staff costs, Trustee expenses, and the cost of key management personnel

	2020 £	2019 £
Salaries and wages	139,022	146,931
Social security costs	13,945	15,442
Pension costs	6,639	6,333
	<u>159,606</u>	<u>168,706</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was nil (2019: nil).

The Charity Trustees were not paid remuneration or received any other benefits from employment with the Charity during the year (2019: £nil). Trustees were reimbursed expenses during the year of £nil (2019: £nil).

The average monthly number of persons employed by the Charity during the year was as follows:

	2020 Number	2019 Number
Executive Director	1	1
Financial Controller	1	1
Administration	3	3
	<u>5</u>	<u>5</u>

NOTES TO THE FINANCIAL STATEMENTS

11. Intangible fixed assets

	Website £
Cost	
At 1 September 2019	9,846
Additions	<u>6,773</u>
At 31 August 2020	<u>16,619</u>
Amortisation	
At 1 September 2019	4,922
Charge for the year	<u>4,155</u>
At 31 August 2020	<u>9,077</u>
Net book value	
At 31 August 2020	<u>7,542</u>
At 31 August 2019	<u>4,924</u>

12. Tangible fixed assets

	Freehold land and property £	Showground Improvements £	Show Equipment £	Office Equipment £	Total £
Cost					
At 1 September 2019	605,000	353,515	135,159	29,652	1,123,326
Revaluation	295,000	-	-	-	295,000
Additions	-	-	534	1,525	2,059
At 31 August 2020	<u>900,000</u>	<u>353,515</u>	<u>135,693</u>	<u>31,177</u>	<u>1,402,385</u>
Depreciation					
At 1 September 2019	4,000	238,438	129,132	23,959	395,529
Charge for the year	4,000	49,191	3,663	3,262	60,116
At 31 August 2020	<u>8,000</u>	<u>287,629</u>	<u>132,795</u>	<u>27,221</u>	<u>455,645</u>
Net book value					
At 31 August 2020	<u>892,000</u>	<u>65,886</u>	<u>2,898</u>	<u>3,956</u>	<u>964,740</u>
At 31 August 2019	<u>601,000</u>	<u>115,077</u>	<u>6,027</u>	<u>5,693</u>	<u>727,797</u>

Depreciation of the freehold property relates only to the building.

NOTES TO THE FINANCIAL STATEMENTS

13. Fixed asset investments

	Unlisted investments £
Market value	
At 1 September 2019 and 31 August 2020	1
Net book value	
At 31 August 2020	1
At 31 August 2019	1

The charity's investments in the share capital of companies at the balance sheet date include the following:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Holding	
				Direct	Indirect
Herts County Showground Limited	England and Wales	Lettings	Ordinary	100.00	

14. Debtors

	2020 £	2019 £
Trade debtors	3,110	-
Amounts owed by group undertakings	30,065	34,833
Prepayments and accrued income	14,850	7,619
Taxation and social security	-	779
	<u>48,025</u>	<u>43,231</u>

15. Creditors: amounts falling due within one year

	2020 £	2019 £
Bank loans and overdrafts	-	1,162
Trade creditors	3,103	8,509
Taxation and social security	30,629	-
Other creditors	300	420
Accruals and deferred income	80,092	11,929
	<u>114,124</u>	<u>22,020</u>

Barclays bank hold a legal charge over the freehold of the charity, covering all amounts owed to them by the charity.

Included in accruals and deferred income is £33,000 relating to monies received for the Schools Event.

NOTES TO THE FINANCIAL STATEMENTS

16. Analysis of charitable funds

Analysis of movements in charitable funds

	Balance at 1 September 2019 £	Income/ Revaluation £	Expenditure £	Balance at 31 August 2020 £
Unrestricted funds	435,249	129,616	(297,176)	267,689
Revaluation reserve	412,573	295,000	-	707,573
Restricted funds	-	-	-	-
Total	847,822	424,616	(297,176)	975,262

Analysis of movements in charitable funds - prior year

	Balance at 1 September 2018 £	Income £	Expenditure £	Balance at 31 August 2019 £
Unrestricted funds	461,655	592,196	(618,602)	435,249
Revaluation reserve	412,573	-	-	412,573
Restricted funds	-	-	-	-
Total	874,228	592,196	(618,602)	847,822

NOTES TO THE FINANCIAL STATEMENTS

17. Analysis of net assets in unrestricted funds

Analysis of net asset movements in funds

	Free Reserves £	Attributable to fixed assets £	Total 2020 £	Total 2019 £
Balance at beginning of year	115,100	732,722	847,822	874,228
Net movement in funds	(112,121)	239,561	127,440	(26,406)
Balance at end of year	2,979	972,283	975,262	847,822

Analysis of net asset movements in funds - prior year

	Free Reserves £	Attributable to fixed assets £	Total 2019 £	Total 2018 £
Balance at beginning of year	120,649	753,579	874,228	934,329
Net movement in funds	(5,549)	(20,857)	(26,406)	(60,101)
Balance at end of year	115,100	732,722	847,822	874,228

NOTES TO THE FINANCIAL STATEMENTS

18. Reconciliation of net movement in funds to net cash flow from operating activities

	2020	2019
	£	£
Net movement in funds	(167,560)	(26,406)
Depreciation and amortisation charge	64,271	38,900
Interest received shown in investing activities	(206)	(121)
Interest paid shown in operating activities	1,459	1,378
Decrease in stocks	3,928	195
(Increase) / Decrease in debtors	(4,794)	1,723
Increase / (Decrease) in creditors	93,266	(40,375)
	<u>(9,636)</u>	<u>(24,706)</u>

19. Related party transactions

During the year ended 31 August 2020, the charity purchased office furniture from Blue Goose Interiors Ltd amounting to £nil (2019: £4,691) of which K S White is a director. The charity also purchased goods from J Barr and Son amounting to £432 (2019: £2,776) of which W J Barr is related and goods from North Herts Farmers amounting to £3,815 (2019: £2,949) of which J A Williams is related. The charity also purchased insurance from NFU Mutual amounting to £7,210 (2019: £20,204) of which C R Percy is a director.

Herts County Showground Limited is a wholly owned subsidiary of the Hertfordshire Agricultural Society. A management fee of £15,000 (2019: £15,000) has been charged to Herts County Showground Limited during the year. A donation of £16,850 (2019: £102,333) has been received from Herts County Showground Limited.

At the year end, an amount of £30,065 is due from Herts County Showground Limited (2019: £34,833).

NOTES TO THE FINANCIAL STATEMENTS

20. Comparative Statement of Financial Activity

	Unrestricted Funds £	Restricted Funds £	Total 2019 £
Income and Expenditure			
INCOME:			
Donations and legacies	35,992	-	19,633
Income from charitable activities			
Show	420,262	-	400,886
Other trading activities	120,665	-	87,466
Other income	15,000	-	15,000
Investment income	277	-	287
Total Income	<u>592,196</u>	<u>-</u>	<u>523,272</u>
EXPENDITURE:			
Raising funds	301,869	-	289,652
Expenditure on charitable activities			
Show	313,937	-	289,123
Governance costs	2,796	-	3,956
Other costs	-	-	642
Total Expenditure	<u>618,602</u>	<u>-</u>	<u>583,373</u>
Net income and net movement in funds for the year	(26,406)	-	(60,101)
Reconciliation of funds			
Total funds brought forward	874,228	-	934,329
Total funds carried forward	<u><u>847,822</u></u>	<u><u>-</u></u>	<u><u>874,228</u></u>