

Registered Charity Number: 501564



Shropshire Horticultural Society

Annual Report and Statement of Accounts

For the year ended 30 September 2021

Shropshire Horticultural Society
Annual Report and Statement of Accounts
For the year ended 30th September 2021

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Shropshire Horticultural Society

**Annual Report and Statement of Accounts
For the year ended 30th September 2021**

Notice is hereby given that

THE ANNUAL GENERAL MEETING OF THE SOCIETY
to take place at

Blackburn Chapel & Theatre, Prestfelde School, London Road, Shrewsbury SY2 6NZ
on Tuesday 15th February 2022 at 7.00pm.

Simon Badrock
Secretary

AGENDA

1. President's Opening Remarks
2. Waiver Of Notice Period For 2022
3. Apologies for absence
4. The Chairman's Annual Report for 2021
5. Presentation of Statement of Financial Activities
and Balance Sheet by the Hon. Treasurer
6. Appointment of Auditors
7. Appointment of a President for 2022/2023
8. Appointment of Honorary Officers
9. To declare the Election of Members to the General Committee
10. Any Other Business (To be supplied in writing to the Secretary 1 day prior to the meeting)

Shropshire Horticultural Society

Annual Report and Statement of Accounts For the year ended 30th September 2021

President

Professor Anna Sutton

Vice Presidents

The Worship The Mayor Of Shrewsbury

Michael Burton
Edward Butcher
Richard Cooper
Brian Goodwin

Donna Hamer
James Hodgson
Roger Key
Aubrey Kirkham

Garth Marshall
Peter Road-Night
Stephen Rogers
Harry Wilson

General Committee & Trustees

Chairman

Andrew Cross

Chairman Elect

Maelor Owen

Retire 2022

Giles Bell
Andrew Cross
Simon Cunningham
Mark Cuthbert-Brown CBE DL
Amanda Jones
Maelor Owen
Lindsay Pearson
Kate Stephens
Stuart Sutton
Vacancy
Vacancy
Vacancy
Vacancy
Vacancy

Retire 2023

Tony Bywater MBE
Rebecca Chew
Briony Cooper
Hilary Fisher
Brian Harper OSTJ
Frank Heaversedge
Lyndsey O'Loughlin
Jeremy Tudor
Richard Whittingham
Vacancy
Vacancy
Vacancy
Vacancy
Vacancy

Retire 2024

Susannah Bryant
Chris Chew
Scott Clapworthy
Shirley Davies
Leanne Garvey
Richard Hambleton QVRM
Ann Kirkham
Stephen Kynaston
Bryan Littlejohns
Gordon Parry
Jacki Pugh
Andrew Rhodes
Vacancy
Vacancy

Honorary Treasurer

Ken Tonkin

Honorary Horticultural Adviser

Nigel Bishop DH(Edin) FILAM Dip PRA

Honorary Equestrian Adviser

Graham Hudson

Honorary Veterinary Adviser

David Jagger BVSc MRCVS

Secretary

Simon Badrock

Finance Officer

Caroline Tate ACMA

Event Administrator

Kaye Strauss

Showground Manager

John Harvey

Event Administrator

Julie Emberton

Health & Safety Consultant

Lance Jackson CMIOSH MMS(Dip)

PA To Secretary

Jayne Ford

Registered Office: Shropshire Horticultural Society, Quarry Lodge, Shrewsbury SY1 1RN

Bankers: NatWest, 8 Mardol Head, Shrewsbury SY1 1HE

Financial Advisers: Brewin Dolphin, Mutual House, Sitka Drive, Shrewsbury SY2 6LG

Auditors: Dyke Yaxley Ltd, 1 Brassey Road, Old Potts Way, Shrewsbury SY3 7FA

SHROPSHIRE HORTICULTURAL SOCIETY
CHAIRMAN'S REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021



We started 2021 with a cautious air of optimism that we would be able to proceed with the planning for the 2021 Show. We waited hopefully and expectantly for the Prime Minister's announcement in February and his intended Road Map out of the Covid-19 lockdown. This arrived with a fanfare and while there were some positive signs about the future there was no more clarity about the position. There still remained many fundamental uncertainties, particularly for large events, that would not be clarified sufficiently until mid-June at the earliest, at which point it would be too late to organise the 2021 Show.

History repeated itself and again we had to make a decision by the end of March as to whether or not to have a Show, before the Society had committed to any major pre-payment deposits and contracts with site contractors, suppliers, traders, attractions and celebrities. This was a difficult decision to make but it was necessary particularly having regard to the best interests of the Society; being a Charitable Organisation and the Committee being charitable trustees, they must at all times act in the best interests of the Charity. In 2020 the Society incurred expenses of some £50,000 in non-returnable pre-payments and deposits.

Reluctantly, having carefully considered the situation and the many uncertainties we faced, the Show was cancelled. As a result, we considered several proposals to ensure that the Society maintained its profile and 'presence' in the community. These included a virtual Show and a floral display/s in The Quarry. The virtual Show was held via our website (www.shrewsburyflowershow.org) and by other social media. This proved to be a great success with significant viewings and 'hits' on social media. Unfortunately, due to logistical problems and an unexpected clash of events in The Quarry, we were unable proceed with plans to create and install a floral display in the park.

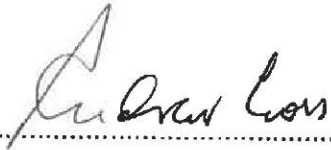
Despite the disappointment of cancelling the 2021 Show, the Society have been carrying out a number of internal reviews. This has been hampered by furlough and the restrictions on face to face meetings and social distancing but important progress has been made on reviewing the general format of the Show for the future having regard to the ever-increasing statutory regulations relating to large events. In conjunction with this and following the Charity Commission guidelines there has been an ongoing review of the Society's charitable constitution and proposals to incorporate the Society into a Charitable Incorporated Organisation. We are also undertaking a detailed cost analysis of the Show and Show expenditure. Fortunately, the Society is still in a sound financial position due to successful Shows in the past and prudent management by its past trustees and advisors.

On a very positive note I am pleased to report that plans are now underway for a bumper comeback show to be held on 12th and 13th August 2022 with some new and exciting exhibits and attractions; full details will be published on the Society's website www.shrewsburyflowershow.org and on social media during the coming months.

These have been difficult times for everyone and we may not be out of the woods just yet but I hope that all members of the Society and the people of Shrewsbury and Shropshire as a whole will show their continued support for the Society and what will be the 133rd Show in 2022.

SHROPSHIRE HORTICULTURAL SOCIETY
CHAIRMAN'S REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Let us all hope for a more optimistic and brighter future for the Society, the Show and indeed everyone. Keep safe.

A handwritten signature in black ink, appearing to read 'Andrew Cross', is written over a horizontal dotted line.

Andrew Cross, Chairman

SHROPSHIRE HORTICULTURAL SOCIETY

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Trustees are pleased to present their annual report and audited financial statements for the year ending 30th September 2021. The financial statements comply with requirements of the Statement of Recommended Practice 2018 and Financial Reporting Standards.

CHARITABLE PURPOSE, VISION AND AIMS

The Society's charitable purposes, as set out in its constitution, are:

- Aim 1 To promote horticultural education by holding a show or shows and competitions each year, by arranging conferences, lectures and visits to places of horticultural interest and by encouraging, improving and extending the cultivation of gardens and open spaces;
- Aim 2 To promote and assist such other charitable purposes connected with horticulture as the General Committee shall from time to time determine;
- Aim 3 To promote and assist such other charitable purposes and to assist such other charitable organisations as the Society shall in like manner determine (whether or not such other purpose or organisations are in connection with horticulture) especially if such purpose is in the interest of the Society.

The Society is committed to promoting horticulture and gardening. To this end we seek to provide horticultural education and access to gardening knowledge and skills. We are particularly committed to horticultural provision for young people, aiming to help school projects, to encourage and enthuse children in the skills of gardening. In considering wider donations we look to support local charities, which in turn are offering support to our community in Shropshire.

OUR ACHIEVEMENTS

Aim 1 - To promote horticultural education

Due to the Covid-19 pandemic, the show was legally required to be cancelled. The decision was taken early but it was right in light of the situation. The Society will continue to review all options for 2021.

Aims 2 and 3 - To promote other charitable purposes and organisations as agreed by the General Committee.

The trustees take their responsibility to consider donations within the wider community very seriously. To this end the Society has made charitable donations totalling £14,000 (2020: £5,050) during the past year. These included:-

£5,000 - Royal Horticultural Society, to boost the income raised from the Wisley Bursary Trust, which provides funding towards the training costs of a student undertaking a course in Horticulture at the RHS College at Wisley in Surrey.

£9,000 – Chartered Institute of Horticulture, to cover the costs of the National Finals of the Young Horticulturalist of the Year competition under auspices of the Percy Thrower Bursary.

The trustees have paid due regard to guidance issued by the Charity Commission in deciding what activities of the charity are of a public benefit.

Governance of the Society

The Shropshire Horticultural Society is a registered charity. Our Charity Commission registered number is 501564.

The management of the Society is the responsibility of the General Committee, which is the ultimate decision-making body of the Society. All members of the General Committee are trustees of the Society. The current trustees and officers of the Society are listed on the Society information page.

SHROPSHIRE HORTICULTURAL SOCIETY

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Election and appointment of trustees

As stated above the trustees of the Society are the members of the General Committee. The General Committee is made up of the President, Vice Presidents, Honorary Officers, 42 elected members and co-opted members. One-third of the 51 elected members shall retire each year on the day preceding the Annual General Meeting but shall be eligible for re-election. The General Committee has the power to co-opt not more than 7 members to its committee until the next AGM, who shall then form part of the General Committee.

Nominations for vacancies on the General Committee are requested through an advertisement in the Press each year, not less than 6 weeks before the AGM. Full details of election procedures are available from the Society's secretary at the registered office.

All members of the General Committee must be members of the Society, and be eligible, under Charity law, to serve as a trustee.

Induction and training of trustees

The Society has established induction procedures. An information pack is given to new trustees. This includes information on charity and trustee responsibilities together with information about the Society, its history and its plans for the future, its constitution is included and an explanation about how the Society's affairs are conducted on a day-to-day basis. New trustees meet key committee members and Society staff as part of the induction procedure.

Key trustees are familiar with charity governance through other work that they do and they ensure that the trustee body is updated as appropriate.

Management of the Society

The General Committee delegates the day-to-day management of the Society to the Executive Committee which is made up of the Chairman, Vice Chairman and Treasurer of the General Committee and the Chairmen of all other sub-committees (those sub-committees being determined by the General Committee) and not more than 3 other members of the General Committee. The Chairman of the General Committee has the right to recommend to the General Committee the names of those members of the General Committee whom he considers should serve during the ensuing year on each of the sub-committees and which members should be appointed chairman of the sub-committees.

The Executive Committee coordinates the work of the sub-committees and is empowered to produce the annual budget, authorise payments, and take all decisions relative to the organisation of the Shrewsbury Flower Show except on such matters on which another sub-committee has delegated powers. The Executive Committee also has the power to take decisions which in its opinion will further the objects of the Society.

In addition to the Executive Committee and any other sub-committees which the General Committee determines is required, a further sub-committee shall be appointed being the Chairman's Consultative sub-committee. This committee will comprise of those members of the General Committee who have held the office of Chairman of the General Committee since 1970. The functions of this committee shall be:

1. To make recommendations to the General Committee on the appointment of President of the Society;
2. To make recommendations to the Chairman of the General Committee on matters relating to employees of the Society, including Honorary Officers;
3. To advise the Chairman of the General Committee on any proposed change in any policy of the Society

SHROPSHIRE HORTICULTURAL SOCIETY
TRUSTEES' REPORT
FOR THE YEAR ENDED 30 SEPTEMBER 2021

Staff and volunteers

At 30 September 2021 the Society employed 1 full time and 4 part time staff (2020: 1 full time and 5 part time).

Due to the impact of COVID, the Society did not require help from any volunteers (2020: none) in the year due to the show being cancelled.

Subsidiary and related charities

The Society jointly controls **The Shropshire Horticultural Society (Wisley Trainee) Charitable Trust (registration number 701677)** with the Royal Horticultural Society. This charity is entitled to appoint 3 of the 6 Trustees. The purpose of the charitable trust is to provide grants and bursaries to individuals from Shropshire or neighbouring counties to enable them to train at RHS Garden Wisley or on another RHS approved course. The Trust has delegated power to the RHS to make awards of trust funds up to a total of £5,000 per annum. The award of monies above this sum requires trustee approval.

The Society also jointly controls **The Shropshire Horticultural Society Percy Thrower Bursary**, also referred to as the CIH Bursary, (registration number 501564-1) with the Chartered Institute of Horticulture. This charity is again entitled to appoint 3 of the 6 Trustees. The purpose of the bursary is to provide annual funding for the Grand Finals of the CIH 'Young Horticulturist of the Year Competition' and fulfils its objectives by providing a travel bursary to the winner and runner-up of this National competition, together with providing the resources to finance the final round of the competition. This competition is considered of national importance in the development and encouragement of young horticulturists. Funds of £9,000 were awarded in the year (2020: £Nil).

A further bursary operated by the Society is **The Shropshire Horticultural Society (Percy Thrower) Shropshire Charitable Trust (registration number 501564-2)**, the Trustees of which are the Society's Chairman, Treasurer and Vice-Chairman/Chairman-Elect. The purpose of the Trust is to provide funding assistance for horticultural students resident in the county of Shropshire, as approved by the General Committee.

SHROPSHIRE HORTICULTURAL SOCIETY

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Principal risk and uncertainties

The trustees review the major governance, operational, financial and regulatory risks that they consider the Society may face and believe that systems are in place to manage the Society's exposure to those major risks. The Society is committed to an ongoing review of identification and management of the risks to which it may be exposed.

Despite there being a 2nd consecutive year without a show, the trustees are highly optimistic for the 2022 show return.

The key risks and uncertainties the society currently faces are rising prices, inflation and ongoing additional compliance costs to deliver the show.

Auditors

Dyke Yaxley Ltd acted as the Society's auditors throughout the year having been reappointed. It is intended that a proposal to reappoint Dyke Yaxley Ltd as auditors will be put to the management board.

FINANCIAL REVIEW

Annual funding

Our gross income this year totals £245,889 (2020: £235,678). Of this our investment income was £234,192 (2020: £226,955) and our income from the virtual Shrewsbury Flower Show was £4,757 (2020: £8,723).

Despite there being no activity for the majority of the year, the Society required £341,584 to operate (2020: £301,901). This includes our donations and grants totalling £14,000 (2020: £5,050), which is detailed in note 7 and in the 'Our Achievements' section above. The cost of achieving our commitment to horticultural education was £344,155 (2020: £277,102). We have also incurred governance costs of £8,341 (2020: £10,249). Governance costs encompass all the costs for professional services support, together with the costs of holding meetings, in particular, our AGM.

We have carefully monitored all the costs referred to above to ensure that we obtain best value, with a review and re-tendering procedure for major expenses.

Before the impact of investment portfolio activity our overall net outgoing resources amounted to £95,692 (2020: £66,223). The Society used resources during the year due to unprecedented circumstances caused by the Covid-19 pandemic.

Financial position at 30 September 2021

The financial position of the Society remains strong due to the prudent investments of committees past.

The investments have performed well during 2021 and have increased in value by £1,291,596 (2020: decrease of £54,242) over the year. The detail of the activity in our portfolio is outlined in note 14 to the accounts. We continue to work closely with our investment advisors to ensure that the Society's assets are safeguarded and perform in line with the requirement for our charitable activities.

The value of the quoted investments at 30 September 2021 was £6,108,045 compared to £4,944,920 at 30 September 2020. Including our other assets and liabilities our balance sheet indicates net assets of £9,155,472 (2020: £7,846,621).

The trustees are pleased to report that the Society still has a substantial financial security to enable us to continue to deliver our objectives into the future.

SHROPSHIRE HORTICULTURAL SOCIETY

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Reserves policy

Our unrestricted general funds total £9,077,659 at 30 September 2021 (2020: £7,783,868).

The trustees of the Society have adopted an unrestricted funds reserve policy based on a target level of reserves, over and above that held in functional fixed assets and which will provide a substantial and secure long-term financial base for the Society's activities. To this end, the trustees consider that reserves of £4.75m need to be held. This meets the requirements of the Society's reserve policy to hold sufficient reserves to fund two shows, to allow for a reserve of £100,000 for capital expenditure on our properties and infrastructure and to allow for the potential deficit on the investments of £700,000.

The reserves policy also allows the Society to hold assets that are available and adequate to fulfil its continuing obligations to its objectives, the extension of the policy would include the retention of the freehold and investment property as well as the show equipment held by the Society currently valued at £2,845,974 (2020: £2,626,157). The restricted fund has increased from £62,753 to £77,813. The restricted fund was initially formed as a scholarship for horticultural education in the memory of the late Percy Thrower.

Investment policy

The Society has set out an investment policy which covers our investment policy in the short term and separately considers our policy for medium to long term funds. The short term can be defined as up to 2 years and commitment to medium- or longer-term investments should not ordinarily be made where there may be a requirement for funds in this period.

Our short-term investment policy is to invest in bank deposits, achieving an optimum rate of return at a low level of risk.

Our funds invested for medium to long term are split between a fixed interest portfolio of government stocks or equivalent and in an equity portfolio. The split on investment between these funds is determined by the investment committee during their quarterly reviews. A 20:80 split between categories is deemed prudent.

The investment objective for these funds is to maximise the overall return for the Society, taking into account both income and capital appreciation, and commensurate with a moderate level of risk. The equity element of the portfolio is to achieve a diverse spread on investments worth a limit of 10% of total portfolio value in anyone holding.

As permitted in the Society's constitution, the trustees have given the investment manager discretion to manage the portfolio and medium- and longer-term investments within an agreed risk profile. The investment manager reports quarterly to the Society with valuations, analysis and commentary on the portfolio. The investment committee meet the investment manager quarterly to receive their reports and to review activity and performance to benchmark data.

OUR PLANS FOR THE FUTURE

The Shrewsbury Flower Show and other activities of the Society in 2022 will depend on the developments of the Covid-19 pandemic. Our plans are to hold a show in 2022.

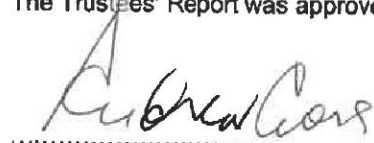
The Society continues to be committed to responsible governance. As previously stated, we have many experienced and committed trustees with a wide skill base who willingly contribute their time and skills to the furtherance of the Charity's objectives. We have an effective decision-making structure through our committees and reporting structure. We are continuing to review our structure to ensure that it is fit for purpose going forward and will be considering any appropriate modifications to ensure that we continue to be an effective and dynamic organisation going forward.

SHROPSHIRE HORTICULTURAL SOCIETY

TRUSTEES' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

The Trustees' Report was approved by the Board of Trustees on 17-01-2022



.....
Mr Andrew Cross
Chairman

For and on behalf of the Shropshire Horticultural Society

SHROPSHIRE HORTICULTURAL SOCIETY

STATEMENT OF TRUSTEES' RESPONSIBILITIES

FOR THE YEAR ENDED 30 SEPTEMBER 2021

The trustees 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).

The law applicable to charities in England and Wales requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the society and of the incoming resources and application of resources of the society for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The trustees are responsible for keeping sufficient accounting records that disclose with reasonable accuracy at any time the financial position of the society and enable them to ensure that the financial statements comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the trust deed. They are also responsible for safeguarding the assets of the society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

SHROPSHIRE HORTICULTURAL SOCIETY

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF SHROPSHIRE HORTICULTURAL SOCIETY

Opinion

We have audited the financial statements of Shropshire Horticultural Society (the 'society') for the year ended 30 September 2021 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and the 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 FRS 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 charity's affairs as at 30 September 2021 and of its incoming resources and application of resources, 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 Charities Act 2011.

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 society 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 society'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 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 we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, 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.

SHROPSHIRE HORTICULTURAL SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SHROPSHIRE HORTICULTURAL SOCIETY

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees' report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of trustees

As explained more fully in the statement of trustees' responsibilities, the trustees 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 society'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 cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

SHROPSHIRE HORTICULTURAL SOCIETY

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF SHROPSHIRE HORTICULTURAL SOCIETY

Use of our report

This report is made solely to the charity's trustees, as a body, in accordance with part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charity's trustees those matters we are required to state to them in an auditors' 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 charity and the charity's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Dyke Yaxley Ltd

Stacey Lea (Senior Statutory Auditor)
for and on behalf of Dyke Yaxley Limited

27/01/2022

Chartered Accountants
Statutory Auditor

1 Brassey Road
Old Potts Way
Shrewsbury
Shropshire
SY3 7FA

Dyke Yaxley Limited is eligible for appointment as auditor of the society by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

SHROPSHIRE HORTICULTURAL SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Unrestricted funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total 2020 £
Income and endowments from:							
Charitable activities	2	4,757	-	4,757	8,723	-	8,723
Investments	3	232,564	1,628	234,192	225,446	1,509	226,955
Other income	4	6,940	-	6,940	-	-	-
Total income		244,261	1,628	245,889	234,169	1,509	235,678
Expenditure on:							
Raising funds	5	106,021	-	106,021	81,859	-	81,859
Charitable activities	6	235,563	-	235,563	220,042	-	220,042
Total resources expended		341,584	-	341,584	301,901	-	301,901
Net gains/(losses) on investments	11	1,391,114	13,432	1,404,546	(50,723)	(3,519)	(54,242)
Net movement in funds		1,293,791	15,060	1,308,851	(118,455)	(2,010)	(120,465)
Fund balances at 1 October 2020		7,783,868	62,753	7,846,621	7,902,323	64,763	7,967,086
Fund balances at 30 September 2021		9,077,659	77,813	9,155,472	7,783,868	62,753	7,846,621

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

All income and expenditure derive from continuing activities.

SHROPSHIRE HORTICULTURAL SOCIETY

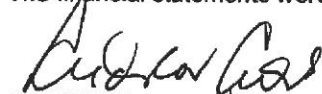
BALANCE SHEET

AS AT 30 SEPTEMBER 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	12		257,574		289,257
Investment properties	13		2,588,400		2,336,900
Investments	14		6,108,045		4,944,920
			<u>8,954,019</u>		<u>7,571,077</u>
Current assets					
Debtors	16	57,129		73,759	
Cash at bank and in hand		191,523		272,431	
		<u>248,652</u>		<u>346,190</u>	
Creditors: amounts falling due within one year	17	(47,199)		(70,646)	
Net current assets			<u>201,453</u>		<u>275,544</u>
Total assets less current liabilities			<u>9,155,472</u>		<u>7,846,621</u>
Income funds					
Restricted funds	20		77,813		62,753
Unrestricted funds			9,077,659		7,783,868
			<u>9,155,472</u>		<u>7,846,621</u>

The financial statements were approved by the Trustees on

17-01-2022



Mr A Cross
Chairman

SHROPSHIRE HORTICULTURAL SOCIETY

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash absorbed by operations	24		(305,022)		(396,228)
Investing activities					
Purchase of tangible fixed assets		-		(1,334)	
Enhancement costs of investment property		(149,472)		-	
Purchase of other investments		(1,154,722)		(1,417,708)	
Proceeds on disposal of other investments		1,294,116		1,605,107	
Interest received		234,192		226,955	
Net cash generated from investing activities			224,114		413,020
Net cash used in financing activities			-		-
Net (decrease)/increase in cash and cash equivalents			(80,908)		16,792
Cash and cash equivalents at beginning of year			272,431		255,639
Cash and cash equivalents at end of year			191,523		272,431

SHROPSHIRE HORTICULTURAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

Charity information

Shropshire Horticultural Society constitutes as a public benefit entity as defined by FRS 102.

1.1 Accounting convention

The financial statements have been prepared in accordance with the society's governing document, the Charities Act 2011 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)" (as amended for accounting periods commencing from 1 January 2016). The society is a Public Benefit Entity as defined by FRS 102.

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

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

1.2 Going concern

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

1.3 Charitable funds

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

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

1.4 Income

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

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

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

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

Life membership subscriptions are brought in as income in the year of receipt.

SHROPSHIRE HORTICULTURAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

1.5 Expenditure

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

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

Expenses are recognised on an accruals basis. With the exception of the Charitable Gifts and Donations, most of the costs of the Society are incurred in staging the Show and managing the property and investment portfolios. Other general and administrative costs are not material.

1.6 Tangible fixed assets

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

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

Freehold land and buildings	Nil
Plant and equipment	20% Straight Line
Fixtures and fittings	20% Straight Line

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

No depreciation is provided on land and buildings as the Trustees consider that freehold properties are maintained in such a state of repair that their residual value is at least equal to their net book value.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.8 Fixed asset investments

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

1.9 Impairment of fixed assets

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

SHROPSHIRE HORTICULTURAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

1.10 Cash and cash equivalents

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

1.11 Financial instruments

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

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

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

1.12 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the society is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2 Charitable activities

	2021 £	2020 £
Income for Shrewsbury Flower Show	4,757	8,723

3 Investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Rental income	114,826	-	114,826	111,776	-	111,776
Income from listed investments	117,737	1,628	119,365	113,660	1,509	115,169
Interest receivable	1	-	1	10	-	10
	<u>232,564</u>	<u>1,628</u>	<u>234,192</u>	<u>225,446</u>	<u>1,509</u>	<u>226,955</u>

SHROPSHIRE HORTICULTURAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

4 Other income

	Unrestricted funds	Total
	2021	2020
	£	£
CJRS grants received	6,940	-

5 Raising funds

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
<u>Fundraising and publicity</u>		
Shrewsbury Flower Show	59,736	16,188
Depreciation and impairment	-	2,135
	<u>59,736</u>	<u>18,323</u>
Fundraising and publicity	59,736	18,323
<u>Investment management</u>	46,285	63,536
	<u>106,021</u>	<u>81,859</u>

6 Charitable activities

	2021	2020
	£	£
Staff costs	-	(14)
Depreciation and impairment	31,682	1,489
	<u>31,682</u>	<u>1,475</u>
Grant funding of activities (see note 7)	14,000	5,050
Share of support costs (see note 8)	181,540	203,268
Share of governance costs (see note 8)	8,341	10,249
	<u>235,563</u>	<u>220,042</u>

Support costs have been allocated on the basis of staff time spent on each activity.

SHROPSHIRE HORTICULTURAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

7 Grants payable

	2021 £	2020 £
Grants to institutions:		
Royal Horticultural Society	5,000	5,000
Chartered Institute of Horticulture	9,000	50
	<u>14,000</u>	<u>5,050</u>

No grants were paid to individuals.

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8 Support costs

	Support costs £	Governance costs £	2021 Support costs £	Governance costs £	2020 £
Staff costs	97,785	-	97,785	102,900	102,900
Show support costs	35,007	-	35,007	45,976	45,976
Office costs	48,748	-	48,748	54,392	54,392
Audit fees	-	4,500	4,500	-	5,175
Governance costs	-	1,941	1,941	-	3,574
Governance support costs	-	1,900	1,900	-	1,500
	<u>181,540</u>	<u>8,341</u>	<u>189,881</u>	<u>203,268</u>	<u>213,517</u>
Analysed between Charitable activities	<u>181,540</u>	<u>8,341</u>	<u>189,881</u>	<u>203,268</u>	<u>213,517</u>

Governance costs includes payments to the auditors of £4,500 (2020: £5,175) for audit fees.

There were payments made to the auditors for other services of £1,900 (2020: £1,500)

9 Trustees

During the current and previous year all trustees freely give their time and expertise without any form of remuneration or other benefit in cash or kind. During the year, the Committee members did not receive any reimbursement of travelling, accommodation or subsistence expenses (2020: £613).

Trustees did benefit from cover provided by a trustee's indemnity insurance policy, paid on their behalf by the Society. The cost of this insurance was £2,218 (2020: £1,848).

SHROPSHIRE HORTICULTURAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

10 Employees

Number of employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Permanent office staff	5	6

Employment costs

	2021 £	2020 £
Wages and salaries	92,270	96,988
Social security costs	3,003	3,619
Other pension costs	2,512	2,279
	97,785	102,886

Volunteer Help

The value of volunteer help received is not included in the accounts. It is estimated that the value of this assistance would have been £Nil (2020: £Nil).

The key management personnel of the charity, comprise the trustees and the Secretary. The total employee benefits of the key management personnel of the Trust were £43,363 (2020: £39,473).

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

11 Net gains/(losses) on investments

	Unrestricted funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2021 £	2021 £	2021 £	2020 £	2020 £	2020 £
Revaluation of investments	1,278,163	13,432	1,291,595	(50,723)	(3,519)	(54,242)
Gain/(loss) on sale of investments	10,923	-	10,923	-	-	-
Revaluation of investment properties	102,028	-	102,028	-	-	-
	1,391,114	13,432	1,404,546	(50,723)	(3,519)	(54,242)

SHROPSHIRE HORTICULTURAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

12 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Total £
Cost				
At 1 October 2020	283,725	266,101	106,851	656,677
At 30 September 2021	283,725	266,101	106,851	656,677
Depreciation and impairment				
At 1 October 2020	-	266,101	101,320	367,421
Depreciation charged in the year	-	-	1,682	1,682
Impairment losses	30,000	-	-	30,000
At 30 September 2021	30,000	266,101	103,002	399,103
Carrying amount				
At 30 September 2021	253,725	-	3,849	257,574
At 30 September 2020	283,725	-	5,532	289,257

13 Investment property

	2021 £
Fair value	
At 1 October 2020	2,336,900
Additions through enhancement	149,472
Net gains or losses through fair value adjustments	102,028
At 30 September 2021	2,588,400

Investment property comprises of the following:

- Freehold building: 35 St Julian's Friars, Shrewsbury
- Freehold building: Murivance Cottage, Town Walls, Shrewsbury (refurbished every year)
- Freehold land: St Julian's Friars Car Park, Shrewsbury
- Freehold land below Town Walls, Shrewsbury (approximately 15 acres) consisting of:-
- Tennis courts, bowling greens and a hockey pitch let to a local school, also 5 allotments let to local individuals.

The fair value of the investment property has been arrived at on the basis of a valuation carried out at November 2021 by Halls Commercial Property Valuers, who are not connected with the society. The valuation was made on an open market value basis by reference to their rental income potential. The committee will continue to review this valuation and consider whether it remains reasonable and free from material misstatement prior to the next formal valuation in 2024.

SHROPSHIRE HORTICULTURAL SOCIETY
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 30 SEPTEMBER 2021

13 Investment property

	2021	2020
	£	£
Freehold	2,588,400	2,336,900
Long leasehold	-	-
Short leasehold	-	-
	<u> </u>	<u> </u>

14 Fixed asset investments

	Listed investments £
Cost or valuation	
At 1 October 2020	4,944,920
Additions	1,154,722
Realised gains / (losses)	496,248
Unrealised gains / (losses)	795,348
Disposals	(1,283,193)
At 30 September 2021	<u>6,108,045</u>
Carrying amount	
At 30 September 2021	<u>6,108,045</u>
At 30 September 2020	<u>4,944,920</u>

15 Financial instruments

	2021	2020
	£	£
Carrying amount of financial assets		
Instruments measured at fair value through profit or loss	<u>6,108,045</u>	<u>4,944,920</u>

16 Debtors

	2021	2020
	£	£
Amounts falling due within one year:		
Trade debtors	7,780	1,909
Other debtors	31,040	21,731
Prepayments and accrued income	18,309	50,119
	<u>57,129</u>	<u>73,759</u>

SHROPSHIRE HORTICULTURAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

17 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Other taxation and social security		1,138	1,625
Deferred income	18	4,609	16,889
Trade creditors		16,547	32,080
Other creditors		955	1,243
Accruals and deferred income		23,950	18,809
		<u>47,199</u>	<u>70,646</u>

18 Deferred income

	2021 £	2020 £
Other deferred income	<u>4,609</u>	<u>16,889</u>

Deferred income is income received in advance.

19 Retirement benefit schemes

Defined contribution schemes

The society operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the society in an independently administered fund.

During the year the Society paid contributions of £2,512 (2020: £2,279).

SHROPSHIRE HORTICULTURAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

20 Restricted funds

The income funds of the charity include restricted funds comprising the following unexpended balances of donations and grants held on trust for specific purposes:

	Movement in funds			Movement in funds			Balance at 30 September 2021
	Balance at 1 October 2019	Incoming resources	Revaluations, gains and losses	Balance at 1 October 2020	Incoming resources	Revaluations, gains and losses	
	£	£	£	£	£	£	£
Percy Thrower Shropshire Award	64,763	1,509	(3,519)	62,753	1,628	13,432	77,813

21 Analysis of net assets between funds

	Unrestricted funds 2021	Restricted funds 2021	Total 2021	Unrestricted funds 2020	Restricted funds 2020	Total 2020
	£	£	£	£	£	£
Fund balances at 30 September 2021 are represented by:						
Tangible assets	257,574	-	257,574	289,257	-	289,257
Investment properties	2,588,400	-	2,588,400	2,336,900	-	2,336,900
Investments	6,051,193	56,852	6,108,045	4,900,156	44,764	4,944,920
Current assets/(liabilities)	180,492	20,961	201,453	257,555	17,989	275,544
	9,077,659	77,813	9,155,472	7,783,868	62,753	7,846,621

SHROPSHIRE HORTICULTURAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

22 Operating lease commitments

At the reporting end date the society had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2021 £	2020 £
Within one year	3,157	4,317
Between two and five years	10,568	-
	<u>13,725</u>	<u>4,317</u>

Lessor

At the reporting end date the society had contracted with tenants for the following minimum lease payments:

	2021 £	2020 £
Within one year	<u>22,109</u>	<u>22,109</u>

23 Related party transactions

Transactions with related parties

During the year the society entered into the following transactions with related parties:

	2021 £	2020 £
Barry Hamer Electrical Services Limited	1,021	-
Yarrington Limited	6,919	8,804
	<u>7,940</u>	<u>8,804</u>

Barry Hamer Electrical Services Limited

Mr B Hamer is married to a Trustee of the Society, Mrs D Hamer. The fee relates to provision of electrical services to the Society around the show. The contract was agreed as part of a competitive tender process.

Yarrington Limited

A director of Yarrington Limited is Mrs S Davies who is a Trustee of the Society. The fee relates to the provision of marketing, ticketing and printing services to the society. The contract was agreed as part of a competitive tender process.

SHROPSHIRE HORTICULTURAL SOCIETY

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

24	Cash generated from operations	2021 £	2020 £
	Surplus/(deficit) for the year	1,308,851	(120,465)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(234,192)	(226,955)
	Gain on disposal of investments	(10,923)	-
	Fair value gains and losses on investment properties	(102,028)	-
	Fair value gains and losses on investments	(1,291,595)	54,242
	Depreciation and impairment of tangible fixed assets	31,682	3,624
	Movements in working capital:		
	Decrease/(increase) in debtors	16,630	(39,946)
	(Decrease) in creditors	(11,167)	(70,062)
	(Decrease)/increase in deferred income	(12,280)	3,334
	Cash absorbed by operations	(305,022)	(396,228)
25	Analysis of changes in net funds		
	The society had no debt during the year.		