

Company registration number: SC434384

Charity registration number: SC016642

Blackface Sheep Breeders' Association

(A company limited by guarantee)

Annual Report and Financial Statements

for the Year Ended 31 December 2025

Morris and Young
Chartered Accountants
6 Atholl Crescent
PERTH
PH1 5JN

Blackface Sheep Breeders' Association

Contents

Reference and Administrative Details	1
Trustees' Report	2 to 5
Independent Examiner's Report	6
Statement of Financial Activities	7
Balance Sheet	8 to 9
Notes to the Financial Statements	10 to 19

Blackface Sheep Breeders' Association

Reference and Administrative Details

Trustees

Mr D Redpath, President
Mr A McClymont, Vice President
Mr W Welsh, Junior Vice President
Mr A Smith, Past President
Mr A MacArthur
Mr A MacGregor
Mr B MacKinnon
Mr J MacPherson
Mr S Weatherson

Secretary

Mrs A McFadzean

Company Registration Number SC434384

Charity Registration Number SC016642

Registered Office

The charity is incorporated in Scotland.
Woodhead of Mailer
PERTH
PH2 0AG

Accountant

Morris and Young
Chartered Accountants
6 Atholl Crescent
PERTH
PH1 5JN

Bankers

Royal Bank of Scotland
12 Dunkeld Road
PERTH
PH1 5RB

Blackface Sheep Breeders' Association

Trustees' Report

The trustees, who are directors for the purposes of company law, present the annual report together with the financial statements of the charitable company for the year ended 31 December 2025.

Structure, governance and management

At the 2024 AGM, the Voting Members authorised the Council to proceed with reviewing the governance structure and Articles of Association of the Blackface Sheep Breeders' Association, and to prepare updated draft Articles and any necessary documents for approval by the Voting Members at a future General Meeting prior to implementation. Following the review and update of the Articles of Association, an EGM was held in March 2025 and Voting Members approved the proposed Special Resolution to adopt the new Articles of Association to improve the Association's governance.

The purposes of the Association remain unchanged.

The primary change is that the Council will now function as a consultative body of the Association and will no longer be the same as the Charity Trustees/Directors of the Association.

A separate, smaller Board of Charity Trustees will now be legally responsible for the management and control of the Association.

The role of the Council will be to provide strategic guidance, expertise, knowledge sharing, recommendations, and to inform the Association. Effectively, the Council will become a sub-committee of the Association.

The Terms of Reference for the new Council have been prepared and are incorporated as a Schedule to the new Articles of Association.

Membership of the Council shall comprise:

1. The office-bearers of the Association;
2. Two members from each District, elected by their respective District; and
3. The Honorary Presidents.

The Council will have the authority to appoint up to six individuals to the Board of Charity Trustees, ensuring continued representation at the Board level.

The composition of the Board of Charity Trustees will now include:

1. Up to four individual office-bearers elected by the Voting Members;
2. Up to six individuals appointed by the new Council; and
3. Up to two individuals who may be co-opted by the Board.

Blackface Sheep Breeders' Association

Trustees' Report (continued)

Objectives and activities

The Association is a registered charity and its objectives, approved by OSCR, are set out in its Constitution and are as follows:

- to educate the public generally and farmers in particular with regard to breeding, feeding and welfare of Blackface sheep and other livestock;
- to promote scientific research into breeding, feeding and welfare of such livestock and to use the results thereof to encourage and support best practice; and
- to promote excellence in Blackface sheep and to advance education and/or scientific research therein through annual and other shows and to award prizes, awards and/or bursaries in connection therewith.

Achievements and performance

In 2025, the marketing and promotional campaign was put together by the trustees in February.

In Lamb Sale - Blackface females met a steady demand, with many new buyers, ensuring an 85% clearance at the Association's annual show and sale at Lawrie and Symington, Lanark, on Friday 21st February where top price was 3,600gns to the Wight family at Midlock and 30 sold to average £1,600.45.

The annual Journal was produced in the spring and this work was all done remotely.

The following events were attended, which are pivotal to the promotion of the Breed and the Association; members come together with fellow breeders and share ideas on health and other issues effecting the industry.

- North Sheep - 4th June. Greystoke Castle Farm, Greystoke, Penrith
- Highland Sheep - 11th June. Midfearn Farm, Ardgay, Tain
- Royal Highland Show - 19th - 22nd June. We did not take a stand in the NSA Marquee but had representation in the Marquee. We continued to support the exhibitors with a payment of £30 for every sheep forward.
- Sheep Northern Ireland - 1st July - Alwyn McFarlane, 22 Gortagross Road, Dingiven
- Winter events - The exhibitors of pairs of Blackface Lambs at Borderway Agri Expo and Livescot were given financial support for each pair forward.

Championship Rosettes for the Blackface Champion were sent to all shows in Scotland and all major shows in UK and Northern Ireland.

The main shows and sales of Blackface store lambs were provided with Rosettes and prize money.

An advertising campaign was agreed at the beginning of the year. Adverts for events and all the Blackface sales were placed in the main agricultural press and on the website and on Facebook. The new website which has a facility for members to join, has been very popular as has the two new Facebook pages that were set up, one for Female sales and one for Ram sales on to which all the sales were posted as they happened.

The sheep trade was excellent for ewes, wether lambs, ewe lambs and rams with consignors happy.

Blackface Sheep Breeders' Association

Trustees' Report (continued)

Unfortunately, the Bluetongue restrictions put in place in November 2023 are still in place as the cases of Bluetongue in the UK increased, thus resulting in no export possible of any stock in 2025 to Northern Ireland or Europe.

The Association along with NSA Scotland still have representation on the Sea Eagle Management Scheme, which gives us direct dialogue with Nature Scot regarding our members issues with predation. The Scheme extends support for livestock farmers and crofters who experience sea eagle predation impacts.

We are proud to be in partnership with Crystalyx and Agrimin, and a members discount is available on certain products. The Association has a fleet partnership agreement with Ford and members of the Association are offered a substantial discount when purchasing a new Ford vehicle.

Moredun Research institute was continued to be supported by a donation of £2,000. Moredun are the biggest and most important research organisation for animal health in Europe and we continue to work with them on various sheep health issues, especially OPA. We are business supporters of the RSABI, who do important work to help the relief of hardship and poverty amongst people who have depended for their livelihoods on the land.

The Association continue to work with NSA and NSA Scotland and support them in lobbying on behalf of the sheep industry. They continue to ensure that we have a viable and profitable industry that delivers the countryside that the public expect.

In 2023 it was brought to the Associations attention that SRUC veterinary services found a few Blackface lambs were being born without any Lymph nodes, resulting in them not being able to fight off infection especially Orf. This is a genetic condition known as Lymph Node Aplasia. In 2024 the number of cases had risen dramatically and the Association informed all members in 2025 and asked them if they had the problem to blood test sires and dams of affected lambs. The Association has committed to fund testing to find the gene responsible for this mutation.

The annual subscription was raised to £50 inc vat for 2026.

The active membership of the Association is 1,382 (-6).

Plans for the future

Blackface Sheep Breeder' Association is constituted as a Company Limited by Guarantee with Charitable Status. The charity is registered with Companies House and the Scottish Charity Regulator (OSCR) and has reporting requirements to both.

We will look at ways of increasing and raising extra income to cover the cost of genetic testing.

Plans to increase the advertising of the Blackface breed through social media channels.

We will continue to work closely with NFUS, NSA, NSA Scotland and Scot Gov on all sheep related issues.

Blackface Sheep Breeders' Association

Trustees' Report (continued)

Financial instruments

Objectives and policies

The charity's activities expose it to a number of financial risks including credit risk, cash flow risk and liquidity risk.

Cash flow risk

The charity does not have any cash resources, however expenditure will only be incurred when funding has been secured.

Credit risk

The charity's principal financial assets are bank balances, other receivables and a motor vehicle.

The charity has no significant concentration of credit risk.

Liquidity risk

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the charity's liquid funds will be kept in a combination of bank accounts to enable it to service its everyday financial needs, when they become available.

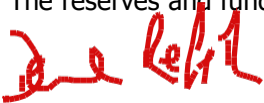
Financial review

The activities for the year resulted in a surplus of £8,368 (2024 - deficit £8,538) on the activities of Council and a surplus of £8,194 (2024 - £8,255) on branch activities.

Policy on reserves

The policy of the Association is to hold as reserve an amount that would cover the normal running expenses for one year, as well as amounts anticipated to be spent on future projects.

The reserves and funds of the Association are detailed within the notes to the accounts.



Mr D Redpath
President

24 February 2026

Blackface Sheep Breeders' Association

Independent Examiner's Report to the trustees of Blackface Sheep Breeders' Association

I report on the accounts of the charity for the year ended 31 December 2025 which are set out on pages 7 to 19.

Respective responsibilities of trustees and examiner

The trustees (who are also the directors of the company for the purposes of company law) are responsible for the preparation of the accounts in accordance with the terms of the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). The trustees consider that the audit requirement of Regulation 10(1) (a) to (c) of the 2006 Accounts Regulations does not apply.

It is my responsibility to examine the accounts as required under section (44)(1) (c) of the Act and to state whether particular matters have come to my attention.

Basis of independent examiner's report

My examination is carried out in accordance with Regulation 11 of the Charities Accounts (Scotland) Regulations 2006 (as amended). An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeks explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit, and consequently I do not express an opinion on the view given by the accounts.

Independent examiner's statement

In connection with my examination, no matter has come to my attention:

(1) which gives me reasonable cause to believe that in any material respect the requirements:

- to keep accounting records in accordance with section (44)(1)(a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations, and
- to prepare accounts which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations have not been met, or

(2) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached.

Tracy Borland

Tracy Borland FCCA, CIPFA (Affil)
Association of Chartered Certified Accountants

Morris and Young Chartered Accountants
6 Atholl Crescent
PERTH
PH1 5JN

10 March 2026

Blackface Sheep Breeders' Association

Statement of Financial Activities for the Year Ended 31 December 2025 (Including Income and Expenditure Account and Statement of Total Recognised Gains and Losses)

		Unrestricted funds			
	Note	General £	Restricted funds £	Total 2025 £	Total 2024 £
Incoming resources					
<i>Incoming resources from generated funds</i>					
Donations and legacies	3	24,746	-	24,746	28,000
Other trading activities		15,594	-	15,594	21,927
Investment income	5	9,761	-	9,761	8,764
		50,101	-	50,101	58,691
<i>Charitable activities</i>	4	99,031	-	99,031	99,300
Total income		149,132	-	149,132	157,991
Resources expended					
<i>Costs of generating funds</i>					
Costs of generating donations and legacies	6.1	(132,570)	-	(132,570)	(158,274)
Other recognised gains and losses					
Net movement in funds		16,562	-	16,562	(283)
Reconciliation of funds					
Total funds brought forward		366,659	6,675	373,334	373,617
Total funds carried forward		383,221	6,675	389,896	373,334

All of the charity's activities derive from continuing operations during the above two periods.

The funds breakdown for prior year is shown in note 16.

Blackface Sheep Breeders' Association

(Registration number: SC434384)

Balance Sheet as at 31 December 2025

	Note	2025 £	2024 £
Fixed assets			
Tangible assets	10	6,756	9,999
Current assets			
Stocks	11	2,161	3,077
Debtors	12	6,772	12,510
Investments	13	139,454	131,099
Cash at bank and in hand	14	251,808	232,771
		400,195	379,457
Creditors: Amounts falling due within one year	15	(17,055)	(16,122)
Net current assets		383,140	363,335
Net assets		389,896	373,334
Funds of the charity:			
Restricted income funds			
Restricted funds	16	5,266	5,266
Unrestricted income funds			
Unrestricted funds		384,630	368,068
Total funds	16	389,896	373,334

Blackface Sheep Breeders' Association
(Registration number: SC434384)
Balance Sheet as at 31 December 2025 (continued)

For the financial year ending 31 December 2025 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the charity to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

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



Mr D Redpath
President

24 February 2026

Blackface Sheep Breeders' Association

Notes to the Financial Statements for the Year Ended 31 December 2025

1 Charity status

The charity is limited by guarantee, incorporated in Scotland, and consequently does not have share capital. Each of the trustees is liable to contribute an amount not exceeding £1 towards the assets of the charity in the event of liquidation.

The address of its registered office is:

Woodhead of Mailer

PERTH

PH2 0AG

These financial statements were authorised for issue by the trustees on 24 February 2026.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

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 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Blackface Sheep Breeders' Association meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy notes.

The financial statements are presented in Sterling (£) and are rounded to the nearest £1.

Going concern

The trustees consider that there are no material uncertainties about the charity's ability to continue as a going concern nor any significant areas of uncertainty that affect the carrying value of assets held by the charity.

Blackface Sheep Breeders' Association

Notes to the Financial Statements for the Year Ended 31 December 2025 (continued)

2 Accounting policies (continued)

Exemption from preparing a cash flow statement

The charity opted to early adopt Bulletin 1 published on 2 February 2016 and have therefore not included a cash flow statement in these financial statements.

Income and endowments

Voluntary income including donations, gifts, legacies and grants that provide core funding or are of a general nature is recognised when the Charity has entitlement to the income, it is probable that the income will be received and the amount can be measured with sufficient reliability.

Life membership is fully released in the year it is received.

Donations and legacies

Donations are recognised when the charity has been notified in writing of both the amount and settlement date. In the event that a donation is subject to conditions that require a level of performance by the charity before the charity is entitled to the funds, the income is deferred and not recognised until either those conditions are fully met, or the fulfilment of those conditions is wholly within the control of the charity and it is probable that these conditions will be fulfilled in the reporting period.

Investment income

Investment income is recognised on a receivable basis.

Charitable activities

Income from charitable activities includes income recognised as earned (as the related goods or services are provided) under contract.

Expenditure

All expenditure is recognised once there is a legal or constructive obligation to that expenditure, it is probable settlement is required and the amount can be measured reliably. All costs are allocated to the applicable expenditure heading that aggregate similar costs to that category. Where costs cannot be directly attributed to particular headings they have been allocated on a basis consistent with the use of resources, with central staff costs allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use. Other support costs are allocated based on the spread of staff costs.

Raising funds

These are costs incurred in attracting voluntary income, the management of investments and those incurred in trading activities that raise funds.

Blackface Sheep Breeders' Association

Notes to the Financial Statements for the Year Ended 31 December 2025 (continued)

2 Accounting policies (continued)

Tangible fixed assets

Individual fixed assets costing £100.00 or more are initially recorded at cost.

Depreciation and amortisation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Depreciation method and rate
Plant and machinery	25% reducing balance basis
Motor vehicles	33.33% reducing balance basis

Current asset investments

Current asset investments are included at the lower of cost and net realisable value / market value.

Stock

Stock is valued at the lower of cost and net realisable value, after due regard for obsolete and slow moving stocks. Net realisable value is based on selling price less anticipated costs to completion and selling costs. Items donated for resale or distribution are not included in the financial statements until they are sold or distributed.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. A provision for the impairment of trade debtors is established when there is objective evidence that the charity will not be able to collect all amounts due according to the original terms of the receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and on deposit.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the charity does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Blackface Sheep Breeders' Association

Notes to the Financial Statements for the Year Ended 31 December 2025 (continued)

2 Accounting policies (continued)

Fund structure

Unrestricted income funds are general funds that are available for use at the trustees discretion in furtherance of the objectives of the charity.

Restricted income funds are those donated for use in a particular area or for specific purposes, the use of which is restricted to that area or purpose.

Pension benefits

The charity operates a defined contribution pension scheme. Contributions are charged in the statement of financial activities as they become payable in accordance with the rules of the scheme.

Financial instruments

The charity only has financial assets and liabilities of a kind that would qualify as basic financial instruments, which are recognised at their transaction value and subsequently measured at their settlement value.

3 Income from donations and legacies

	Unrestricted funds		
	General	Total	Total
	£	2025	2024
	£	£	£
Subscriptions	17,457	17,457	17,546
Sponsorships and donations	7,289	7,289	10,454
	<u>24,746</u>	<u>24,746</u>	<u>28,000</u>

4 Income from charitable activities

	Unrestricted funds		
	Designated	Total	Total
	£	2025	2024
	£	£	£
Tup and ewe levies, female sale and stockjudging income	84,110	84,110	82,595

Blackface Sheep Breeders' Association

Notes to the Financial Statements for the Year Ended 31 December 2025 (continued)

5 Investment income

	Unrestricted funds		
	General	Total	Total
	£	2025	2024
		£	£
Interest receivable and similar income;			
Interest receivable on bank deposits	2,766	2,766	2,640
Other investment income	6,995	6,995	6,124
	<u>9,761</u>	<u>9,761</u>	<u>8,764</u>

Blackface Sheep Breeders' Association

Notes to the Financial Statements for the Year Ended 31 December 2025 (continued)

6 Expenditure on raising funds

a) Costs of generating donations and legacies

	Unrestricted funds		
	General £	Total 2025 £	Total 2024 £
Depreciation, amortisation and other similar costs	3,243	3,243	4,840
Other direct costs of generating voluntary income	129,327	129,327	153,434
	<u>132,570</u>	<u>132,570</u>	<u>158,274</u>

7 Trustees remuneration and expenses

No trustees, nor any persons connected with them, have received any remuneration from the charity during the year.

8 Staff costs

The aggregate payroll costs were as follows:

	2025 £	2024 £
Staff costs during the year were:		
Wages and salaries	34,831	33,727
Pension costs	1,680	1,580
	<u>36,511</u>	<u>35,307</u>

The monthly average number of persons (including senior management team) employed by the charity during the year expressed as full time equivalents was as follows:

	2025 No	2024 No
Employees	<u>1</u>	<u>1</u>

Blackface Sheep Breeders' Association

Notes to the Financial Statements for the Year Ended 31 December 2025 (continued)

8 Staff costs (continued)

1 (2024 - 1) of the above employees participated in the Defined Contribution Pension Schemes.

Contributions to the employee pension schemes for the year totalled £1,680 (2024 - £1,580).

No employee received emoluments of more than £60,000 during the year.

The total employee benefits of the key management personnel of the charity were £34,831 (2024 - £33,727).

9 Taxation

The charity is a registered charity and is therefore exempt from taxation.

10 Tangible fixed assets

	Motor vehicles £	Other tangible fixed asset £	Total £
Cost			
At 1 January 2025	9,508	491	9,999
At 31 December 2025	9,508	491	9,999
Depreciation			
Charge for the year	3,169	74	3,243
At 31 December 2025	3,169	74	3,243
Net book value			
At 31 December 2025	6,339	417	6,756
At 31 December 2024	9,508	491	9,999

11 Stock

	2025 £	2024 £
Stocks	2,161	3,077

Blackface Sheep Breeders' Association

Notes to the Financial Statements for the Year Ended 31 December 2025 (continued)

12 Debtors

	2025 £	2024 £
Trade debtors	<u>6,772</u>	<u>12,510</u>

13 Current asset investments

	2025 £	2024 £
Current asset investments	<u>139,454</u>	<u>131,099</u>

14 Cash and cash equivalents

	2025 £	2024 £
Branches bank accounts	60,189	52,312
RBS account	11,647	(527)
RBS subscription	20,579	3,008
RBS bonus saver	83,389	169,001
Alan Reece bank	4,643	4,642
RBS 35 day notice	4,417	4,335
RBS 95 day notice	66,944	-
	<u>251,808</u>	<u>232,771</u>

15 Creditors: amounts falling due within one year

	2025 £	2024 £
Trade creditors	2,725	4,625
Other taxation and social security	<u>14,330</u>	<u>11,497</u>
	<u>17,055</u>	<u>16,122</u>

Blackface Sheep Breeders' Association

Notes to the Financial Statements for the Year Ended 31 December 2025 (continued)

16 Funds

	Balance at 1 January 2025 £	Incoming resources £	Resources expended £	Balance at 31 December 2025 £
Unrestricted funds				
<i>General</i>				
Unrestricted funds	368,068	149,132	(132,570)	384,630
Restricted funds				
Restricted funds - North of England Branch	5,266	-	-	5,266
Total funds	<u>373,334</u>	<u>149,132</u>	<u>(132,570)</u>	<u>389,896</u>
	Balance at 1 January 2024 £	Incoming resources £	Resources expended £	Balance at 31 December 2024 £
Unrestricted funds				
<i>General</i>				
Unrestricted funds	366,942	157,991	(156,865)	368,068
Restricted funds				
Restricted funds - North of England Branch	6,675	-	(1,409)	5,266
Total funds	<u>373,617</u>	<u>157,991</u>	<u>(158,274)</u>	<u>373,334</u>

Blackface Sheep Breeders' Association

Notes to the Financial Statements for the Year Ended 31 December 2025 (continued)

17 Analysis of net assets between funds

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2025 £
Tangible fixed assets	6,756	-	6,756
Current assets	394,929	5,266	400,195
Current liabilities	(17,055)	-	(17,055)
Total net assets	<u>384,630</u>	<u>5,266</u>	<u>389,896</u>

	Unrestricted funds General £	Restricted funds £	Total funds at 31 December 2024 £
Tangible fixed assets	9,999	-	9,999
Current assets	374,191	5,266	379,457
Current liabilities	(16,122)	-	(16,122)
Total net assets	<u>368,068</u>	<u>5,266</u>	<u>373,334</u>

18 Related party transactions

There were no related party transactions in the year.