

The Southdown Sheep Society
Company Limited by Guarantee
Unaudited financial statements
31 December 2017

The Southdown Sheep Society

Company Limited by Guarantee

Financial statements

Year ended 31 December 2017

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The Southdown Sheep Society

Company Limited by Guarantee

Members' annual report (incorporating the director's report)

Year ended 31 December 2017

The members, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 December 2017.

The financial statements have been prepared in accordance with the accounting policies set out in notes to the accounts and comply with the charity's governing document, the Charities Act 2011 and Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) (as amended by Update Bulletin 1 published on 2 February 2016).

Reference and administrative details

Registered charity name	The Southdown Sheep Society
Charity registration number	266713
Company registration number	00035585
Principal office and registered office	Meens Farm Capps Lane All Saints Halesworth Suffolk IP19 0PD

The members:

President: Mrs Jane Ing (appointed October 7 2017)
President Elect: Mrs Lesley Mead (appointed October 7 2017)
Chairman of Council: Mr Adam Brown
Vice Chairman: Mr Howard Wood
Honorary Treasurer: Mr Neil Stainthorpe

Members of Council

Retire 2018

Sidney J Cook, Lindsay Dane, Patrick Goldsworthy MBE, Tim Morris, Neil Stainthorpe.

Retire 2019

Justin Harmer, Stephen Humphrey, Jonathan Long, Les Newman, Nicole Peart, Dylan Williams.

Retired 2017 at AGM and reappointed

Adam Brown, Duncan Crundwell, Paul Humphrey, Howard Wood.

Miriam Parker (appointed for first time at AGM October 7 2017)

Jessica Cross (resigned April 26 2017)

The Southdown Sheep Society

Company Limited by Guarantee

Members' annual report (incorporating the director's report) *(continued)*

Year ended 31 December 2017

Company secretary

Mrs G Sprake

Independent examiner

Mr B C Bale FCCA
Lovewell Blake LLP
Chartered accountants
The Wherry
Quay Street
Halesworth
Suffolk
IP19 8ET

The Southdown Sheep Society

Company Limited by Guarantee

Members' annual report (incorporating the director's report) *(continued)*

Year ended 31 December 2017

Objectives and activities

a. MAIN ACTIVITIES UNDERTAKEN TO FURTHER THE CHARITY'S PURPOSES FOR PUBLIC BENEFIT

The Council have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning future activities. In particular, the Council consider how planned activities will contribute to the aims and objectives they have set.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

Achievements and performance

a. REVIEW OF ACTIVITIES

The Southdown Sheep Society has engaged in activities during 2017 in order to promote the breed and encourage and increase membership and the registration of breeding sheep. The annual National Show was held at the Suffolk Show and attracted approximately 100 entries. The Annual General Meeting and Field Day was held in October, at the farm of a member in Wales. Regional Breeder Groups organise meetings to share knowledge and advice within the local area.

b. INVESTMENT POLICY AND PERFORMANCE

The Council has considered the most appropriate policy for investing funds and has found that CCLA Investment Management Ltd COIF Charity Funds and Cambridge and Counties Bank meet their requirements to general income.

Financial review

a. RESERVES POLICY

The Council has established a policy to maintain unrestricted funds which are free reserves of the charity at a level which equates to approximately twenty four months unrestricted expenditure. This provides sufficient funds to cover management administration and support costs.

The balance held as unrestricted at 31 December 2017 was £73,945, of which £73,610 are regarded as free reserves, after allowing for funds tied up in tangible fixed assets. The Council consider that sufficient unrestricted resources are held.

Plans for future periods

a. FUTURE DEVELOPMENTS

The Society plans to continue the activities as authorised above in the forthcoming years subject to satisfactory funding arrangements.

The Southdown Sheep Society

Company Limited by Guarantee

Members' annual report (incorporating the director's report) *(continued)*

Year ended 31 December 2017

Structure, governance and management

a. CONSTITUTION

The company is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 6 January 1892.

The purpose of the company is to encourage the breeding of Southdown Sheep and the maintenance of the purity of the breed and to this purpose the compilation and publication of a flock book and the arrangement of shows and classes for which prizes may be donated or augmented.

The obligations of the members are to pay the Society an annual subscription according to the scale determined by the Council.

There have been no changes in the charitable purposes since the last annual report.

b. METHOD OF APPOINTMENT OR ELECTION OF COUNCIL MEMBERS

The Society is managed on a daily basis by Mrs Gail Sprake.

The management of the company is the responsibility of the Council member who are elected and co-opted under the terms of the Articles of Association, as amended on 10 August 2013.

The members' annual report and the strategic report were approved on 27 April 2018 and signed on behalf of the board of trustees by:

Mr Adam Brown
Chairman

The Southdown Sheep Society

Company Limited by Guarantee

Independent examiner's report to the members of The Southdown Sheep Society

Year ended 31 December 2017

I report to the charity trustees on my examination of the financial statements of the company for the year ended 31 December 2017 which comprise the statement of financial activities (including income and expenditure account), balance sheet and the related notes.

Responsibilities and basis of report

As the charity's trustees of the company (and also its directors for the purposes of company law) you are responsible for the preparation of the financial statements in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the financial statements of the company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your company's financial statements as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5)(b) of the 2011 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:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

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 accounts to be reached.

Mr B C Bale FCCA
Lovewell Blake LLP
Chartered accountants
The Wherry
Quay Street
Halesworth
Suffolk
IP19 8ET

27 April 2018

The Southdown Sheep Society

Company Limited by Guarantee

Statement of financial activities (including income and expenditure account)

31 December 2017

		2017		2016
		Unrestricted funds	Total funds	Total funds
	Note	£	£	£
Income and endowments				
Donations and legacies	5	2,666	2,666	2,043
Charitable activities	6	31,171	31,171	31,421
Other trading activities	7	732	732	1,348
Investment income	8	568	568	392
Total income		<u>35,137</u>	<u>35,137</u>	<u>35,204</u>
Expenditure				
Raising funds:				
Costs of raising donations and legacies	9	238	238	2,114
Charitable activities	10	24,233	24,233	36,410
Other expenditure	11	3,565	3,565	3,756
Total expenditure		<u>28,036</u>	<u>28,036</u>	<u>42,280</u>
Net income/(expenditure) and net movement in funds		<u>7,101</u>	<u>7,101</u>	<u>(7,076)</u>
Reconciliation of funds				
Total funds brought forward		66,844	66,844	73,920
Total funds carried forward		<u>73,945</u>	<u>73,945</u>	<u>66,844</u>

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

The notes on pages 8 to 13 form part of these financial statements.

The Southdown Sheep Society

Company Limited by Guarantee

Balance sheet

31 December 2017

		2017		2016	
		£	£	£	£
Fixed assets					
Tangible fixed assets	15		335		447
Current assets					
Stocks	16	550		675	
Debtors	17	7,181		5,815	
Cash at bank and in hand		73,004		68,289	
		80,735		74,779	
Creditors: Amounts falling due within one year	18	7,125		8,382	
Net current assets			73,610		66,397
Total assets less current liabilities			73,945		66,844
Net assets			73,945		66,844
Funds of the charity					
Unrestricted funds			73,945		66,844
Total charity funds	19		73,945		66,844

For the year ending 31 December 2017 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 company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

These financial statements were approved by the board of trustees and authorised for issue on .27 April 2018, and are signed on behalf of the board by:

Mr Adam Brown
Chairman

Mr Neil Stainthorpe
Honorary Treasurer

Company registration number: 00035585

The notes on pages 8 to 13 form part of these financial statements.

The Southdown Sheep Society

Company Limited by Guarantee

Notes to the financial statements

Year ended 31 December 2017

1. General information

The charity is a private company limited by guarantee, registered in England and Wales and a registered charity in England and Wales. The address of the registered office is Meens Farm, Capps Lane, All Saints, Halesworth, Suffolk, IP19 0PD.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the 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) (Charities SORP (FRS 102)) and the Charities Act 2011. The charity has applied Update Bulletin 1 as published on 2 February 2016.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the 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) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The charity constitutes a public benefit entity as defined by FRS 102.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the members for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

The Southdown Sheep Society

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Notes to the financial statements *(continued)*

Year ended 31 December 2017

3. Accounting policies *(continued)*

Incoming resources

All income is included in the statement of financial activities when entitlement has passed to the charity, it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.
- income from investments by way of bank interest is recognised based on the period the interest accrues in.

Resources expended

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

The Southdown Sheep Society

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Notes to the financial statements *(continued)*

Year ended 31 December 2017

3. Accounting policies *(continued)*

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Plant and machinery	-	25% reducing balance
Fixtures and fittings	-	25% reducing balance

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

4. Limited by guarantee

The company is limited by guarantee whereby the members of the company guarantee the liabilities of the company to the extent of £1 per member.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Donations				
Donations	105	105	46	46
Gift Aid reclaimable	2,561	2,561	1,997	1,997
	<u>2,666</u>	<u>2,666</u>	<u>2,043</u>	<u>2,043</u>

6. Charitable activities

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Subscriptions	15,173	15,173	8,854	8,854
Registrations (below)	12,373	12,373	12,886	12,886
Publications	1,854	1,854	2,040	2,040
Flock competition	225	225	300	300
Auction	266	266	375	375
Anniversary income	324	324	6,257	6,257
Miscellaneous income	956	956	709	709
	<u>31,171</u>	<u>31,171</u>	<u>31,421</u>	<u>31,421</u>

Income from registrations

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Ram entries	3,731	3,731	3,341	3,341
Ewe entries	6,680	6,680	6,183	6,183
Late ram entries	280	280	360	360
Late ewe entries	1,151	1,151	2,498	2,498
Pedigree certificates and charges	531	531	504	504

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Notes to the financial statements *(continued)*

Year ended 31 December 2017

7. Other trading activities

	Unrestricted Funds	Total Funds 2017	Unrestricted Funds	Total Funds 2016
	£	£	£	£
Merchandise sales	515	515	1,158	1,158
Raffles	217	217	190	190
	<u>732</u>	<u>732</u>	<u>1,348</u>	<u>1,348</u>

8. Investment income

	Unrestricted Funds	Total Funds 2017	Unrestricted Funds	Total Funds 2016
	£	£	£	£
Bank interest receivable	568	568	392	392

9. Costs of raising donations and legacies

	Unrestricted Funds	Total Funds 2017	Unrestricted Funds	Total Funds 2016
	£	£	£	£
Fundraising expenses	238	238	2,114	2,114

10. Expenditure on charitable activities by activity type

	Activities undertaken directly	Total funds 2017	Total fund 2016
	£	£	£
Competition expenses	853	853	701
Show and field day expenses	2,208	2,208	1,614
Flock book printing	2,450	2,450	3,015
Year book	2,522	2,522	1,572
Newsletter	1,995	1,995	836
Postage	2,085	2,085	-
Printing and stationery	1,859	1,859	-
Postage, printing and stationery	-	-	2,713
Veterinary fees	165	165	285
Website and advertising expenses	1,743	1,743	6,017
Motor and travel expenses	853	853	1,202
Anniversary expenses	-	-	12,292
Secretary's fees	7,500	7,500	6,163
	<u>24,233</u>	<u>24,233</u>	<u>36,410</u>

The Southdown Sheep Society

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2017

11. Other expenditure

	Unrestricted Funds £	Total Funds 2017 £	Unrestricted Funds £	Total Funds 2016 £
Communication and IT costs	871	871	1,133	1,133
Depreciation	112	112	149	149
Insurance	958	958	930	930
Independent examination fees	936	936	786	786
Subscriptions	140	140	139	139
Cost of trustees meetings	373	373	556	556
Sundry	175	175	63	63
	<u>3,565</u>	<u>3,565</u>	<u>3,756</u>	<u>3,756</u>

12. Net income/(expenditure)

Net income/(expenditure) is stated after charging/(crediting):

	2017 £	2016 £
Depreciation of tangible fixed assets	<u>112</u>	<u>149</u>

13. Staff costs

The society had no employees during the current or previous year.

14. Trustee remuneration and expenses

Expenses totalling £772 were paid to 4 trustees as reimbursement for business expense claims.

15. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
Cost			
At 1 January 2017 and 31 December 2017	<u>1,126</u>	<u>1,800</u>	<u>2,926</u>
Depreciation			
At 1 January 2017	1,106	1,373	2,479
Charge for the year	5	107	112
At 31 December 2017	<u>1,111</u>	<u>1,480</u>	<u>2,591</u>
Carrying amount			
At 31 December 2017	<u>15</u>	<u>320</u>	<u>335</u>
At 31 December 2016	<u>20</u>	<u>427</u>	<u>447</u>

The Southdown Sheep Society

Company Limited by Guarantee

Notes to the financial statements *(continued)*

Year ended 31 December 2017

16. Stocks

	2017	2016
	£	£
Raw materials and consumables	550	675

17. Debtors

	2017	2016
	£	£
Trade debtors	7,181	5,815

18. Creditors: Amounts falling due within one year

	2017	2016
	£	£
Accruals and deferred income	7,125	8,382

19. Analysis of charitable funds

Unrestricted funds

	At 1 January			At
	2017	Income	Expenditure	31 December
	£	£	£	2017
	£	£	£	£
General funds	66,844	35,137	(28,036)	73,945

20. Analysis of net assets between funds

	Total Funds	Total Funds
	2017	2016
	£	£
Tangible fixed assets	335	447
Current assets	73,610	66,397
Net assets	73,945	66,844