

**COMPANY REGISTRATION NUMBER: 00035585**  
**CHARITY REGISTRATION NUMBER: 266713**

**The Southdown Sheep Society**  
**Company Limited by Guarantee**  
**Unaudited financial statements**  
**31 December 2018**

# **The Southdown Sheep Society**

## **Company Limited by Guarantee**

### **Financial statements**

**Year ended 31 December 2018**

---

	<b>Pages</b>
Members' annual report (incorporating the director's report)	<b>1 to 4</b>
Independent examiner's report to the members	<b>5</b>
Statement of financial activities (including income and expenditure account)	<b>6</b>
Balance sheet	<b>7</b>
Notes to the financial statements	<b>8 to 13</b>
Appendix	

# **The Southdown Sheep Society**

## **Company Limited by Guarantee**

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

#### **Year ended 31 December 2018**

---

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 2018.

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).

# **The Southdown Sheep Society**

## **Company Limited by Guarantee**

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

**Year ended 31 December 2018**

---

#### **Reference and administrative details**

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

#### **The members**

The trustees who served during the year and at the date of approval were as follows:

<b>President:</b>	Lesley Mead
<b>President Elect:</b>	Michael Sprake

#### **Members of Council**

<b>Chairman of Council:</b>	Adam Brown
<b>Vice Chairman:</b>	Howard Wood
<b>Honorary Treasurer:</b>	Neil Stainthorpe

<b>Other Members</b>	Justin Harmer Stephen Humphrey Jonathan Long Les Newman Nicole Peart Dylan Williams, Duncan Crundwell Paul Humphrey Miriam Parker Lindsay Dane Patrick Goldsworthy MBE Tim Morris Nick Page (elected 18 August 2018) Sidney Cook (resigned 18 August 2018)
----------------------	---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

<b>Company secretary</b>	Mrs G Sprake
--------------------------	--------------

<b>Independent examiner</b>	Mr J P Shipp 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 2018**

---

#### **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 2018 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 Royal Three Counties Show and attracted approximately 100 entries. The Annual General Meeting and Field Day was held in August, at Mudchute City Farm in London. 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 2018 was £73,152, of which £72,901 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 directors' report) *(continued)***

**Year ended 31 December 2018**

---

#### **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 members 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 24 April 2019 and signed on behalf of the board of trustees by:

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 2018**

---

I report to the charity members on my examination of the financial statements of the company for the year ended 31 December 2018 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 members 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 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 financial statements do not accord with those records; or
3. the financial statements 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 financial statements 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 J P Shipp FCCA  
Independent Examiner

Lovewell Blake LLP  
Chartered accountants  
The Wherry  
Quay Street  
Halesworth  
Suffolk  
IP19 8ET

22 May 2019

# The Southdown Sheep Society

## Company Limited by Guarantee

### Statement of financial activities (including income and expenditure account)

Year ended 31 December 2018

		2018		2017
	Note	Unrestricted funds £	Total funds £	Total funds £
<b>Income and endowments</b>				
Donations and legacies	5	2,260	2,260	2,666
Charitable activities	6	28,355	28,355	31,171
Other trading activities	7	445	445	732
Investment income	8	691	691	568
<b>Total income</b>		<u>31,751</u>	<u>31,751</u>	<u>35,137</u>
<b>Expenditure</b>				
Raising funds:				
Costs of raising donations and legacies	9	358	358	238
Charitable activities	10	28,382	28,382	24,233
Other expenditure	11	3,804	3,804	3,565
<b>Total expenditure</b>		<u>32,544</u>	<u>32,544</u>	<u>28,036</u>
<b>Net (expenditure)/income and net movement in funds</b>		<u>(793)</u>	<u>(793)</u>	<u>7,101</u>
<b>Reconciliation of funds</b>				
Total funds brought forward		73,945	73,945	66,844
<b>Total funds carried forward</b>		<u>73,152</u>	<u>73,152</u>	<u>73,945</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 2018

	Note	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible fixed assets	14		251		335
<b>Current assets</b>					
Stocks	15	375		550	
Debtors	16	5,264		7,181	
Cash at bank and in hand		74,008		73,004	
		<u>79,647</u>		<u>80,735</u>	
<b>Creditors: Amounts falling due within one year</b>	17	<u>(6,746)</u>		<u>(7,125)</u>	
<b>Net current assets</b>			<u>72,901</u>		<u>73,610</u>
<b>Total assets less current liabilities</b>			<u>73,152</u>		<u>73,945</u>
<b>Net assets</b>			<u>73,152</u>		<u>73,945</u>
<b>Funds of the charity</b>					
Unrestricted funds			<u>73,152</u>		<u>73,945</u>
<b>Total charity funds</b>	18		<u>73,152</u>		<u>73,945</u>

For the year ending 31 December 2018 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 24 April 2019, 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 2018**

---

#### **1. General information**

The charity is a public benefit entity and 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 Companies Act 2006 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

## Company Limited by Guarantee

### Notes to the financial statements *(continued)*

#### Year ended 31 December 2018

---

#### 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

## Company Limited by Guarantee

### Notes to the financial statements *(continued)*

#### Year ended 31 December 2018

#### 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 2018 £	Unrestricted Funds £	Total Funds 2017 £
<b>Donations</b>				
Donations	157	157	105	105
Gift Aid reclaimable	2,103	2,103	2,561	2,561
	<u>2,260</u>	<u>2,260</u>	<u>2,666</u>	<u>2,666</u>

#### 6. Charitable activities

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Subscriptions	12,221	12,221	15,173	15,173
Registrations (below)	12,459	12,459	12,373	12,373
Publications	2,230	2,230	1,854	1,854
Flock competition	200	200	225	225
Auction	—	—	266	266
Anniversary income	—	—	324	324
Miscellaneous income (see appendix)	1,245	1,245	956	956
	<u>28,355</u>	<u>28,355</u>	<u>31,171</u>	<u>31,171</u>

##### Income from registrations

	Unrestricted Funds £	Total Funds 2018 £	Unrestricted Funds £	Total Funds 2017 £
Ram entries	4,151	4,151	3,731	3,731
Ewe entries	6,272	6,272	6,680	6,680
Late ram entries	315	315	280	280
Late ewe entries	1,485	1,485	1,151	1,151
Pedigree certificates and charges	236	236	531	531

# The Southdown Sheep Society

## Company Limited by Guarantee

### Notes to the financial statements *(continued)*

Year ended 31 December 2018

#### 7. Other trading activities

	Unrestricted Funds £	<b>Total Funds 2018 £</b>	Unrestricted Funds £	Total Funds 2017 £
Merchandise sales	445	445	515	515
Raffles	—	—	217	217
	<u>445</u>	<u>445</u>	<u>732</u>	<u>732</u>

#### 8. Investment income

	Unrestricted Funds £	<b>Total Funds 2018 £</b>	Unrestricted Funds £	Total Funds 2017 £
Bank interest receivable	691	691	568	568
	<u>691</u>	<u>691</u>	<u>568</u>	<u>568</u>

#### 9. Costs of raising donations and legacies

	Unrestricted Funds £	<b>Total Funds 2018 £</b>	Unrestricted Funds £	Total Funds 2017 £
Fundraising expenses	358	358	238	238
	<u>358</u>	<u>358</u>	<u>238</u>	<u>238</u>

#### 10. Expenditure on charitable activities

	Activities undertaken directly £	<b>Total funds 2018 £</b>	Total fund 2017 £
Competition expenses including flock competition (see appendix)	1,598	1,598	853
Show and field day expenses (see appendix)	2,180	2,180	2,208
Flock book printing	2,400	2,400	2,450
Year book and breeders directory	2,436	2,436	2,522
Newsletter	2,070	2,070	1,995
Postage	2,209	2,209	2,085
Printing and stationery	2,057	2,057	1,859
Veterinary fees	342	342	165
Website and advertising expenses	2,107	2,107	1,743
Motor and travel expenses (see appendix)	1,031	1,031	853
Legal and professional fees	1,452	1,452	—
Secretary's fees	8,500	8,500	7,500
	<u>28,382</u>	<u>28,382</u>	<u>24,233</u>

# The Southdown Sheep Society

## Company Limited by Guarantee

### Notes to the financial statements *(continued)*

#### Year ended 31 December 2018

#### 11. Other expenditure

	Unrestricted Funds £	<b>Total Funds 2018 £</b>	Unrestricted Funds £	Total Funds 2017 £
Communication and IT costs	1,276	1,276	871	871
Depreciation	84	84	112	112
Insurance	705	705	958	958
Cost of trustees meetings (see appendix)	584	584	373	373
Sundry	79	79	175	175
Subscriptions	140	140	140	140
Independent examination fees	936	936	936	936
	<u>3,804</u>	<u>3,804</u>	<u>3,565</u>	<u>3,565</u>

#### 12. Staff costs

There were no employees during the current or previous year.

#### 13. Trustee remuneration and expenses

Expenses of £120 were paid to 2 trustees as reimbursement of charity expenses.

#### 14. Tangible fixed assets

	Plant and machinery £	Fixtures and fittings £	Total £
<b>Cost</b>			
<b>At 1 January 2018 and 31 December 2018</b>	<u>1,126</u>	<u>1,800</u>	<u>2,926</u>
<b>Depreciation</b>			
At 1 January 2018	1,111	1,480	2,591
Charge for the year	4	80	84
<b>At 31 December 2018</b>	<u>1,115</u>	<u>1,560</u>	<u>2,675</u>
<b>Carrying amount</b>			
<b>At 31 December 2018</b>	<u>11</u>	<u>240</u>	<u>251</u>
At 31 December 2017	<u>15</u>	<u>320</u>	<u>335</u>

#### 15. Stocks

	<b>2018 £</b>	2017 £
Goods for resale	<u>375</u>	<u>550</u>

# The Southdown Sheep Society

## Company Limited by Guarantee

### Notes to the financial statements *(continued)*

#### Year ended 31 December 2018

#### 16. Debtors

	2018	2017
	£	£
Trade debtors	<u>5,264</u>	<u>7,181</u>

#### 17. Creditors: Amounts falling due within one year

	2018	2017
	£	£
Accruals and deferred income	<u>6,746</u>	<u>7,125</u>

#### 18. Analysis of charitable funds

##### Unrestricted funds

	At 1 January 2018	Income	Expenditure	At 31 December 2018
	£	£	£	£
General funds	<u>73,945</u>	<u>31,751</u>	<u>(32,544)</u>	<u>73,152</u>

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

#### 19. Analysis of net assets between funds

	Unrestricted Funds	Total Funds
	£	2018 £
Tangible fixed assets	251	251
Current assets	<u>72,901</u>	<u>72,901</u>
<b>Net assets</b>	<u>73,152</u>	<u>73,152</u>

	Unrestricted Funds	Total Funds
	£	2017 £
Tangible fixed assets	335	335
Current assets	<u>73,610</u>	<u>73,610</u>
<b>Net assets</b>	<u>73,945</u>	<u>73,945</u>

# The Southdown Sheep Society

## Appendix

Year Ended 31 December 2018

<b>Miscellaneous income</b>	<b>£</b>
Field day	600
Official sheep sale levy	600
New member voucher	20
Printers refund	33
Year book purchased	2
Movement in miscellaneous debtors	(10)
	<hr/>
	<b>1,245</b>
	<hr/>
 <b>Competition expenses including Flock competition</b>	 <b>£</b>
Expense analysis summary - Sales - Competition expenses	443
Less: Travel and accommodation 13/09/18	(393)
Expense analysis summary - Flock competition - Competition expenses	560
Expense analysis summary - Prize money - Competition expenses	480
Expense analysis summary - Trophies - Competition expenses	508
	<hr/>
	<b>1,598</b>
	<hr/>
 <b>Show and Field Day expenses</b>	
Expense analysis summary - Shows - Show and field day expenses	435
Expense analysis summary - Field day - Show and field day expenses	689
Expense analysis summary - NSA event - Show and field day expenses	1,056
	<hr/>
	<b>2,180</b>
	<hr/>
 <b>Motor and travel expenses</b>	
Travelling to council meeting moved from Secretarial	120
Expense analysis summary - Travel expenses - Motor and travel expenses	518
Travel and accommodation 13/09/18 moved from competition expenses	393
	<hr/>
	<b>1,031</b>
	<hr/>
 <b>Cost of trustees meetings</b>	
Expense analysis summary - Room hire - Sundry expenses and subscriptions	235
Expense analysis summary - Lunch - Sundry expenses and subscriptions	349
	<hr/>
	<b>584</b>
	<hr/>