

COMPANY NUMBER 43893

THE ROMNEY SHEEP BREEDERS' SOCIETY

(A COMPANY LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1997

FINN-KELCEY & CHAPMAN

CHARTERED ACCOUNTANTS

ASHFORD HOUSE

COUNTY SQUARE

ASHFORD, KENT



THE ROMNEY SHEEP BREEDERS' SOCIETY

REPORT AND FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1997

CONTENTS

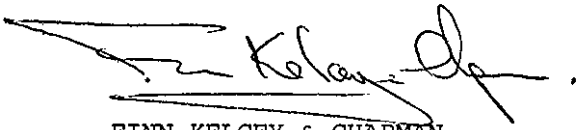
	<u>Page No.</u>
Report of the Accountants	1
Income and Expenditure Account	2
Balance Sheet	3
Notes to the Financial Statements	4 - 5

ACCOUNTANTS' REPORT

TO THE MEMBERS OF THE ROMNEY SHEEP BREEDERS' SOCIETY

We have prepared, on the basis of the information contained in the Society's accounting records and provided by the Committee, and without carrying out an audit or examination, the accounts for the year ended 31st December 1997 as set out on pages 2 to 5. The accounts have been prepared in accordance with the applicable requirements of the Companies Act 1985.

As described on page 3 the Committee is responsible for the preparation of the accounts, and they consider that the Society is exempt from an audit.



FINN-KELCEY & CHAPMAN

Chartered Accountants
Reporting Accountants

Date: 18th March 1998

Ashford House
County Square
Ashford, Kent.
TN23 1YE

THE ROMNEY SHEEP BREEDERS' SOCIETY

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31ST DECEMBER 1997

	<u>Notes</u>	<u>£</u>	<u>1997</u>	<u>£</u>	<u>1996</u>	<u>£</u>
<u>INCOME</u>						
Members Entrance Fees			50			-
Annual Subscriptions			1,815			1,730
Registration Fees	3		4,216			3,983
Bank Deposit Interest			504			532
Dinner Income			1,572			940
Ram Performance Test			1,116			1,249
Other Income	4		1,184			1,873
			<u>10,457</u>			<u>10,307</u>
<u>EXPENDITURE</u>						
Administration Costs	5	3,895		4,399		
Honorarium		-		421		
Rent, Rates and Room Hire		160		60		
Tattooing Expenses		18		-		
Printing and Stationery	6	629		789		
Postage and Telephone		737		781		
Advertising and Publicity	7	822		1,005		
National Sheep Association Levy		50		40		
Subscriptions Written Off		-		50		
Audit and Accountancy		382		338		
Donations to Prizes		198		346		
Ram Shows and Sales		240		80		
Miscellaneous Expenses	8	1,560		1,165		
Dinner Expenses		1,478		920		
Ram Performance Test		1,124		1,249		
Depreciation of Plant		113		151		
		<u>11,406</u>		<u>11,794</u>		
<u>(DEFICIT) FOR THE YEAR BEFORE TAXATION</u>			<u>(949)</u>			<u>(1,487)</u>
Taxation on Bank Deposit Interest at 21%(1996 24%)			(110)			(129)
<u>(DEFICIT) FOR THE YEAR AFTER TAXATION</u>			<u>(1,059)</u>			<u>(1,616)</u>
<u>BALANCE AS AT 1ST JANUARY 1997</u>			<u>14,913</u>			<u>16,529</u>
<u>BALANCE AS AT 31ST DECEMBER 1997</u>			<u>13,854</u>			<u>14,913</u>

There are no recognised gains or losses other than those passing through the profit and loss account. The above amounts all relate to continuing operations.

THE ROMNEY SHEEP BREEDERS' SOCIETY

BALANCE SHEET AS AT 31ST DECEMBER 1997

	<u>1997</u>	<u>1996</u>
	£	£
<u>TANGIBLE FIXED ASSETS</u>		
Office and Tattooing Equipment		
Balance as at 1st January 1997	454	605
Depreciation	113	151
	—	—
	341	454
<u>CURRENT ASSETS</u>		
Debtors and Prepayments	1,577	1,676
Cash at Bank : Current Account	496	50
: Deposit Account	11,795	12,468
: No.2 Account	239	737
	—	—
	14,107	14,931
<u>CREDITORS : Amounts falling</u>		
due within one year :		
Sundry Creditors	562	351
Corporation tax	32	121
	—	—
	594	472
<u>NET CURRENT ASSETS</u>	13,513	14,459
<u>NET ASSETS</u>	13,854	14,913
<u>FINANCED BY:</u>		
Income and Expenditure Account	13,854	14,913

In preparing these financial statements:

- (a) The Committee are of the opinion that the Society is entitled to the exemption from audit conferred by Section 249A(1) of the Companies Act 1985;
- (b) No notice has been deposited under Section 249B(2) of the Companies Act 1985, and
- (c) The Committee acknowledges responsibilities for:
 - (i) ensuring that the Society keeps accounting records which comply with Section 221 of the Companies Act 1985, and
 - (ii) preparing accounts which give a true and fair view of the state of affairs of the Society as at the end of the financial year and of its surplus or deficit for the financial year in accordance with the requirements of Section 226, and which otherwise comply with the requirements of this Act relating to accounts, so far as applicable to the Society.

The financial statements were approved by the Committee on 10th March 1998.

Chairman

Adrian

10/4/98

David Roberts

10/4/98

THE ROMNEY SHEEP BREEDERS' SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1997

1. LIMITED LIABILITY

The Company is Limited by Guarantee and does not have a Share Capital. The liability of each member is limited to a maximum of One Pound.

2. ACCOUNTING POLICIES

2.1 Accounting Convention

The Financial Statements are prepared under the Historical Cost convention.

2.2 Depreciation of Tangible Assets

Provision is made for depreciation of tangible assets at rates calculated to write off their costs, less residual values, over their estimated useful lives. The rates used for this purpose are:

Office and Tattooing Equipment 25% p.a. on written down value.

2.3 Cash Flow Statement

The Company relies on the exemptions for small companies contained in Financial Reporting Standard No 1, Cash Flow Statements, and therefore does not prepare a cash flow statement.

3. REGISTRATION FEES

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Rams	2,372	2,710
Ewes	1,844	1,273
	<u>4,216</u>	<u>3,983</u>

4. OTHER INCOME

	<u>1997</u>	<u>1996</u>
	<u>£</u>	<u>£</u>
Sponsorship	240	240
Ewe Flock Competition Fees	50	70
Sundry Income	-	28
Refund of Ram Commission	744	738
Sheep Sales	-	607
Centenary Account:-		
- Donations	-	35
- Pictures and videos	150	122
- Ties	-	33
	<u>1,184</u>	<u>1,873</u>

THE ROMNEY SHEEP BREEDERS' SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31ST DECEMBER 1997

5.	<u>ADMINISTRATION COSTS</u>	<u>1997</u>	<u>1996</u>
		<u>£</u>	<u>£</u>
	Secretary's Fees	2,500	2,500
	Secretary's Expenses Re-Imbursed	1,395	1,899
		<u>3,895</u>	<u>4,399</u>

The average number of employees during the year was One (1996 : One).
No Members of the Committee received any Remuneration.

6.	<u>PRINTING AND STATIONERY</u>	<u>1997</u>	<u>1996</u>
		<u>£</u>	<u>£</u>
	Flock Book	232	256
	Other	397	533
		<u>629</u>	<u>789</u>

7.	<u>ADVERTISING AND PUBLICITY</u>	<u>1997</u>	<u>1996</u>
		<u>£</u>	<u>£</u>
	Advertising	-	305
	Show Expenses	822	700
		<u>822</u>	<u>1,005</u>

8.	<u>MISCELLANEOUS EXPENSES</u>	<u>1997</u>	<u>1996</u>
		<u>£</u>	<u>£</u>
	Subscription	43	43
	Insurance	213	213
	Company Registration Fee	15	18
	Travel Expenses	829	669
	Bank Charges	(11)	12
	Donations	50	-
	Export Expenses	135	-
	Centenary Account:-		
	- Other Expenses	286	210
		<u>1,560</u>	<u>1,165</u>

THE ROMNEY SHEEP BREEDERS' SOCIETY
REPORT FOR THE YEAR 1997

TO BE PRESENTED AT THE
ONE HUNDRED AND THIRD ANNUAL GENERAL MEETING OF MEMBERS
TO BE HELD AT THE ELWICK CLUB, CHURCH ROAD, ASHFORD
ON THURSDAY APRIL 16th 1998 AT 8.00pm

- PRESIDENT** Mr John Coultrip has been our President for the year.
- MEMBERSHIP** One new flock was registered during the year. One flock was dispersed and sold by auction. Several flockmasters have become rather "lukewarm" and disenchanted with pedigree breeding. Only two have actually resigned. There are 49 active flockmasters and 51 other members.
- COUNCIL** Mr Andrew Barr was re-elected Chairman of Council. Your Council met 5 times, in Ashford, during the year.
- FLOCK BOOK** Volume 103 of the Flock Book contained individual entries of 250 rams and 840 ewes, compared with 360 rams and 2139 ewes in the previous volume. We could have done with a few more.
- This was the one year when demand exceeded supply for Romney rams.
- ACCOUNTS** The effect of the strong pound strikes in the most unexpected places. A substantial export order was cancelled when the value of the Portuguese escudo plummeted. Even without any export levies, the Society managed a small increase in income and reduced some costs. The nett result was a deficit for the year of £1059. An improvement of £600 on the previous year.
- Audited accounts for 1997 will be available at the Annual General Meeting.
- RAM SALES** We had really good rams entered at our two main shows and the demand was phenomenal.

RAM SALES
Contd

ASHFORD 78 rams were entered. Judge, John Coultrip, awarded the Championship to Swallow Mill Farms. The judge later backed his choice by purchasing this ram for £1250, the highest price paid for a Romney ram in half a century. The Reserve Champion was shown by Trevor Richards and sold to Howard Bates for £650. This animal also won the prize for best woolled sheep.

G.B. Richards & Son won the class for the best pen of three ram tegs. Swallow Mill Farms won the Hobbs Parker award for the best pen of five animals.

The average price for the Sale was £413, a substantial improvement of £129 on the previous year.

RYE From a catalogue entry of 83, Swallow Mill Farms produced the Champion and Reserve Champion and also the wool prize; The first time in many years that both the main Romney ram show and sale have been won by one flock.

At the Sale, John Paine bought the Champion for £660. The Reserve Champion went to join the same Marsh flock.

The average price for the Sale was £319. Once again, an increase on the previous year of £35.

EWE FLOCK
COMPETITION

There was a total entry of nineteen flocks. After travelling to the West Country, as well as all over Kent and East Sussex, Judge Howard Bates awarded the Championship to Andrew Barr & Son, with John Coultrip as Reserve.

Class winners:

Class I - Up to 50 breeding ewes - J. & S.E. Cole

Class II - 51-150 ewes - John Coultrip

Class III - over 150 breeding ewes - Andrew Barr & Son.

Andrew Barr and Trevor Richards had an easier task and less travelling, placing the unregistered flockks. White Fox Farms came back to win after an absence of several years.

EXPORTS

As we mentioned earlier, the strong pound has ruined our export trade. The orders are there for thousands, yes thousands, of breeding Romneys, but the currency fluctuation spoils things.

SUMMER SHOWS

Romneys are not alone in the pedigree sheep world in finding sufficient exhibits of good quality to make a worthwhile presence at the Summer Shows. Your Council have addressed the problem and are continuing to offer some financial help with the ever increasing expenses of the Royal Show.

Royal Show This was the first year without entries from Limestone Farms. Their support was really missed.

Judge John Coultrip awarded the breed Championship to a pair of ewe tegs from Pauline and Hugh Skinner. Reserve was Peter Skinner & Son's 2 shear ram.

Kent County Show Romney sheep are offered more prize money than any other livestock (except some of the horse classes). We responded well with an increase to 111 catalogue entries from ten exhibitors. A really handsome turnout of Romney sheep.

Judge Graham Palmer chose as Champion John Coultrip's superb pair of woolly ewe tegs. These went on to be Reserve Interbreed Sheep Champions of the Show. Reserve Romney was G.B. Richards & Son's 2 shear ram (in wool), bred by Limestone Farms.

Andrew Barr & Son won the Redland Trophy for gaining most points in the Romney classes.

South of England Show In an unusual sort of way, this was our most successful show. Our two brave exhibitors, George Horne and Julie Murray, won all the classes in the "Any Other British Longwool" section.

George won the Championship and Cazelet Trophy with his yearling ram, and Reserve Champion with a shearling ewe. Julie cleaned up the lamb classes.

Heathfield Show A difficult show to deal with. Three breeders had a go. They all won prizes. John and Sarah Cole won the Herbert Catt Trophy for the best Romney.

RAM LAMB PERFORMANCE TEST

This was again successful, but only 31 ram lambs on test. The growth rates and scanning figures keep improving year by year. Ram breeders ought to take more interest.

Progeny of some of the rams from earlier tests are starting to feature in members breeding returns.

ANNUAL
DINNER

Last year we reported that we were seeking a new home. We went to the Little Silver Hotel at Tenterden. To say the least, not a very successful evening. We still need a good venue.

YOUNGS
CENTENARY
TROPHY

This was awarded to your Secretary. Mainly for the fact that he has lived a long time, rather than what he has done for the Romney Breed!

THE FUTURE

How does one forecast the future after such an extraordinary year.

Right up until late autumn everything was buoyant and prices firm (or even better than that, in some cases). The future looked to be set fair. Then it all started to fall apart and the year ended for sheep farmer (and all other types of farmers) on a dismal note.

Things will get better, they always do. Flockmasters with soundly bred animals can keep turning out the quality goods. Now is not the time for panic alterations in farming policies. Stick with doing the job you do best.

BY ORDER OF THE COUNCIL

David Roberts

DAVID ROBERTS
SECRETARY

X AB
Adhe R

16/4/98