

The Devon County Agricultural Association **(A Company Limited by Guarantee)**

Report of the Council and consolidated financial statements

For the year ended 30 September 2004



Company registered number 1927330

Charity registered number 292897

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Throughout the report of Council and these financial statements the Devon County Agricultural Association is referred to as the Association.

Officers, Professional Advisers and Bankers

Registered Office	Westpoint Clyst St Mary Exeter EX5 1DJ
Company registered number	1927330
Charity registered number	292897
President for 2004	J Parkin JP
President-Elect	B Drake
Chairman of Council	Sir John Cave Bt DL
Honorary Show Director and Vice Chairman of Council	D E Parish
Honorary Treasurer	N Lindsay-Fynn MA Oxon
Association Secretary	M K Hosking
Honorary Legal Advisor	R F Lloyd MBE
Board of Management 5 Elected Members	A D Kingdon – <i>Chairman</i> Sir Ian Amory Bt DL (retired 30 June 2004) W J Daw (elected 19 July 2004) J A T Lee (elected 19 July 2004) J L Maunder JP DL M H Retallick C C G Trump MBE (retired 30 June 2004)
Ex Officio	Sir John Cave Bt DL N Lindsay-Fynn MA Oxon D E Parish
Bankers	National Westminster Bank plc 246 High Street Exeter EX4 3PD
Auditors	Bishop Fleming 1 Barnfield Crescent Exeter EX1 1QY

Report of the Council

The Council presents its report for the year ended 30th September 2004. The Accounts have been prepared in accordance with the Charities' Statement of Recommended Practices - Accounting and Reporting by Charities, which was issued in October 2000. The Devon County Agricultural Association is a registered charity and a company limited by guarantee. The objects of the Association are the advancement of agriculture in the County of Devon and to encourage education and knowledge of agriculture and country pursuits. These objects are particularly fostered by the promotion and running of the annual Devon County Show. Westpoint Centre (Devon) Limited is a wholly owned subsidiary of the Association and manages the Westpoint Exhibition building which is used for concerts, exhibitions, trade fairs and similar events. The Association is governed by its Memorandum and Articles of Association most recently amended in January 2003.

A list of the officers of the Association and its professional advisers, together with its registered office is set out on page 1.

The Council and its Board of Management

The Association is controlled by its Council, limited to a maximum of 100 elected members. In addition, the Association invites a number of local authorities and societies with interests in agriculture and the countryside to appoint representatives to the Council, but without voting rights. Council members who held office in the year to 30th September 2004 are listed on pages 6 and 7. Those retiring by rotation under Article 42 are as indicated and are eligible for re-election.

In June 2004, Sir Ian Amory and Mr C C G Trump retired by rotation from the Board of Management. In the following election, Mr J A T Lee and Mr W J Daw were elected to the Board. The remaining members of the Board extend a warm welcome to them. At the same time, they will miss the wise counsel of Sir Ian and Gordon, both of whom had served as Board members for many years. The Board wishes to express its sincere thanks to them for their significant contributions.

Following the June election, the members of the Board of Management are -

A D Kingdon (<i>Chairman</i>)	N Lindsay-Fynn MA Oxon
Sir John Cave Bt DL	J Maunder JP DL
W J Daw	D E Parish
J A T Lee	M Retallick

The Council is saddened to report the death of three past Presidents, all of whom had been members of the Association for more than 50 years and very much had the best interests of the Association close to their hearts:-

Captain Sir William Peek - Bill Peek gave a lifetime's service to the Horse section of the Devon County Show. Records no longer show when he first became a Steward, or indeed a Senior Steward, but he was elected Chief Steward in 1970 and continued to serve in this capacity until 1989. He was a member of Council for 46 years, retiring in 2002, and served the office of President in 1992.

Mr R W Darke - Like Bill Peek, Dick Darke had served for so long that the dates of his appointment are no longer in the records, but he served as Chief Steward of Livestock for more than 20 years and was a member of Council for more than 40 years, retiring in 1998. He served the office of President in 1987. His family is a DCAA dynasty many members of which have dedicated so much time to the affairs of the Association.

Mr N G Langdon - with his horticultural background, Norman Langdon was a natural member of the Flower Show Committee and was appointed as Steward in 1953. He went on to serve as Chief Steward for more than ten years, stepping down in 1972, to remain a member of the Flower Show Committee until 2004. He was a member of Council for more than 40 years, retiring in 2003. During the visit of Her Majesty the Queen to the 1995 Show, he received from her Majesty the DCAA's coveted Prince of Wales Award and served the office of President in 1997.

These three past Presidents are part of the history of the Association. Their long experience, leadership and dedication will be sadly missed.

Report of the Council (continued)

Financial Statements

The Council submits the audited financial statements for the Association including its subsidiary, Westpoint Centre (Devon) Limited, for the year ended 30th September 2004. On a record consolidated turnover of £2,105,130 the Group achieved a record surplus of £204,800 compared with a loss of £94,000 in 2003. In the Group Statement of Financial Activities and Income and Expenditure Account on page 9, the surplus for the year is shown as "Net Movement in Funds before transfers". The surplus has increased the Fund Balance at 30th September 2004 (in effect, the book value of the assets of the Association) to £2,385,566.

Review of Business

The 2004 County Show, under the leadership of the President, Mr John Parkin, and the Honorary Show Director, Mr David Parish, enjoyed exceptionally fine weather, which led to a record gate plus advance ticket sale income of £385,970, compared to £252,995 for the 2003 Show. Total Show income, including sundry income and members' subscriptions, increased by £253,272 to a record £1,060,362. Following the overall loss incurred by the Association in 2003, considerable efforts had been made to control the direct operating costs of the Show which declined by £27,047 excluding the costs of the new forge and benches referred to below

During the year, Sir John Cave, Chairman of the Council, launched an appeal to raise funds for the purchase of wooden benches to provide attractive and comfortable resting places around the showground. The appeal was generously supported by members, who contributed £4,891, leading to the purchase 22 benches at a cost of £5,460, all suitably inscribed with the names of the benefactors. The Blacksmiths' section also launched its own appeal to cover the cost of a new forge. A total of £21,260 was generously donated and £25,020 was expended on the forge. The excess cost of the benches and the forge over the donations received of £4,329 was caused by the disallowance of the input VAT. The entire cost has been written off to current expenditure. The Council wishes to express its great gratitude to the many members and exhibitors who have supported these appeals.

Westpoint Centre (Devon) Limited also enjoyed a record year, with event turnover increasing to £791,049, an increase of 21.3% on 2003, plus turnover of the Westcountry Garden Festival of £126,835, an increase of 27.8% on 2003, and giving rise to a total turnover of £917,884. Although the Garden Festival incurred a loss of £24,998, the overall contribution of Westpoint increased from £315,295 to £434,515 - another record.

Once again, there was an increase in rental income to £115,535 (2003 - £82,040), while interest payable was virtually unchanged at £82,784, the increase in interest rates being countered by a substantial reduction in the overall level of debt.

Not surprisingly, the overall surplus of £204,800 is the highest ever and is particularly pleasing after the substantial loss of 2003. This surplus was achieved despite costs of £17,498 incurred in evicting an invasion by travellers and subsequent costs of security, and an exceptional cost of £25,586 unexpectedly required for major repairs to the effluent disposal plant.

Fixed Assets

Total capital expenditure during the year amounted to £67,266 (2003 - £87,714) of which £38,548 was for further improvements to the Exhibition Building and its surrounds.

The showground and buildings are included at their historic cost of £5,689,581 less accumulated depreciation of £1,824,278, to give a net book value of £3,865,303. The Council takes the view that this accounting convention remains appropriate.

Report of the Council (continued)

Finances

The record surplus and relatively low capital expenditure have led to strong positive cash flow. Total Bank borrowing declined by £331,648 to £1,441,790 some £760,000 less than reported in the equivalent financial statements for 1994, while net current liabilities plus long term debt has declined by £313,398.

The five year bank loan set at £1.4m in 1999 but since reduced to £1.15m fell due for repayment at the end of October 2004. Its maturity has been extended for 3 months to enable the consent of the Charity Commission to be given to a new legal charge. The new facilities, which will provide adequate working capital for the foreseeable future, will then comprise a new 5 year term loan of £1m and an overdraft facility with a limit of £650,000. The Balance sheet is presented on the basis that the £1m is treated as a long term liability as it is anticipated that all consents will be received and the new loan and overdraft facility will be in place within a few weeks.

Reserves and the Future

The Council and the Board of Management look to the future with some confidence, but recognise that the exceptionally fine weather enjoyed by the 2004 Show cannot be expected every year. Profitability and margins of many agricultural shows have been under pressure for several years. For the DCAA, 2004 reversed that trend. Nevertheless, the Council believes that a stable financial future will be achieved by increasing income from events other than the Show and developing new business. Although the Westcountry Garden Festival has yet to make a profit, it is hoped that this type of event will, in the future, lead to increased income. The reduction in debt and the renovation of surplus property for letting will also add to revenue. As recently as 1998, the annual interest cost of £140,137, equal to 12.1% of turnover, was not ameliorated by any rental income on surplus properties. In the year under review, interest of £82,783 was less than 4% of turnover and was more than covered by rental income of £115,535.

The Council has reviewed the reserves of the Association. Free Reserves, otherwise Net Current Assets, at 30 September 2004, showed a deficit of £526,079. The construction of the Westpoint Centre and Showground in 1988-1990 was largely financed by Bank debt which created a substantial deficit of Free Reserves, although much reduced in recent years.

Nevertheless a further reduction in bank borrowing remains central to the policy of the Board of Management and Council by increasing future operating profits and the Fund Balance while restricting capital expenditure. The Council regards an appropriate level of Reserves to equate to Current Assets exceeding Current Liabilities by a prudent margin.

Risk Management

The Board of Management continually assesses the business risks through the normal budgetary process and seeks to ensure that effective systems of controls are in place to mitigate them. Risk management has become a regular item for consideration at meetings of the Board of Management. Risks and their management fall into three categories - the stability of the budgetary and financial control system, designed with the aim of ensuring that income can always cover current expenditure without undue surprises; secondly, policies and procedures to prevent fraud and to protect the integrity of the physical assets of the Association and its subsidiary; and thirdly, to ensure that adequate third party liability cover is maintained to protect the Association from claims for loss or compensation following injury or damage.

Report of the Council (continued)

Auditors

At the forthcoming Annual General Meeting, the Treasurer will propose the appointment of Bishop Fleming as auditors to the Association. KPMG LLP has tendered its resignation. Likewise the Directors of Westpoint Centre (Devon) Limited have proposed the appointment of Bishop Fleming as the Company's auditors, and the Council has instructed its proxy representatives to vote in favour of such resolution at the forthcoming Annual General Meeting of the Company.

The Association Secretary, Staff and Stewards

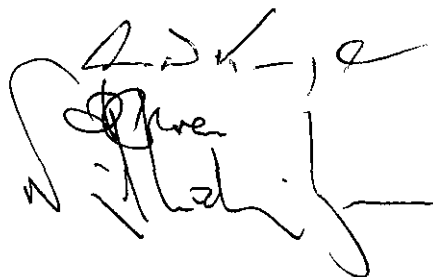
The quality of the Show enjoyed by so many members of the Association, the many successful events staged by Westpoint and these exceptional financial results have been, to a great part, achieved by the continuing voluntary efforts of 14 Chief Stewards, 21 Senior Stewards and more than 300 Stewards and Committee members. To the thousands of hours of voluntary work contributed by them during the Show, and throughout the year, must be added the dedication of the professional team in the offices of the Association, led by Mervyn Hosking, the Association Secretary, and Mrs Ollie Allen, Show Secretary. In this exceptional year, the Board of Management has voted a well deserved bonus reward to all full-time office staff. This demonstrates to them how they can share in and benefit from the success of the Association.

To the Association staff and to all the voluntary Stewards and Committee members, the Council and the Board of Management extend warm thanks for their dedicated service and loyalty.

A D Kingdon *Chairman of the Board of Management*

Sir John Cave Bt DL *Chairman of Council*

N Lindsay-Fynn MA Oxon *Honorary Treasurer*

The block contains three handwritten signatures. The top signature is 'A D Kingdon', the middle is 'Sir John Cave', and the bottom is 'N Lindsay-Fynn'. The signatures are written in dark ink and are somewhat stylized.

Council Members

The Council Members of the Association during the year ended 30 September 2004 were as follows. Those due to retire by rotation, all of whom are eligible for re-election, are marked *.

Chairman of Board of Management	-	A D Kingdon
Chairman of Council	-	Sir John Cave Bt DL
Vice Chairman of Council and Honorary Show Director	-	D E Parish
President	-	J Parkin JP
President Elect	-	B Drake
Honorary Treasurer	-	N Lindsay-Fynn MA Oxon

Other elected Council Members with voting powers:-

* Sir Ian Amory Bt DL	C M R Hopper (resigned 12/12/2003)
M H Batting	O D Hughes (also representing West Devon District Council)
* Sir Jeremy Boles Bt	J Hunt
J A S Brasier	A J Hutchinson
P W S C Brockman	M W Huxtable
T E Broom	Mrs J M Kauntze (appointed 2/4/2004)
N J Burrington (resigned 2/4/2004)	* Mrs A D Kingdon
* G H Bush CB	* The Viscount Knutsford DL
R J Carr MRCVS	T K Larcombe
J W Carter (resigned 2/4/2004)	D C Lee BVSc MRCVS (resigned 12/12/2003)
G Cheriton	* J A T Lee
* The Lord Clinton DL	* Mrs N Lindsay-Fynn
R W B Coley	J L Maunder JP DL
* A E Cook (also representing North Devon Agricultural Association)	* N A Maxwell-Lawford OBE DL
Major T R Corkery OBE DL (resigned 10/12/2003)	* J W May
Mrs D Custance-Baker (appointed 2/4/2004)	C C Morgan
* E A Darke	Mrs J Mortimer (resigned 28/12/2003)
R D S Darke	R M Northcott
H G Dart (also representing North Devon Agricultural Association)	* F Palk
W J Daw	* A H Palmer
Sir Simon Day	Sir Richard Peek Bt (also representing Country Land and Business Association)
* The Earl of Devon DL	Mrs J A Penny
The Hon. Mrs M E J d'Erlanger	N Plumstead
P Dunning	E S Pook
R E Ellis (appointed 19/7/2004)	Major R C Rayner
* P F J Force	* M H Retallick
Rear Admiral Sir Ronald Forrest KCVO JP DL	A H Richards
T M J French	J C N Robinson
R Frost	T J Russ (appointed 19/7/2004)
N G Gilbert	H L I Salmon BVetMed DBR MRCVS (resigned 2/4/2004)
M Goodman	D A Scoble (appointed 30/1/2004)
P R Greed	J P Short
Mrs V F Gundry	R R Skinner (resigned 4/2/2004)
J A Haddy	H O Slade
T L Hammett	P O Slade
R R B Harvey	* R N Stafford-Charles
J A T Hodge	B T Stamp (appointed 30/1/2004)
	* S T R Stevens

Council Members (*continued*)

R S Tailyour
L J Taverner
* J H Thomas
J R Trahair CBE DL (resigned 6/1/2004)
W E Treeby (resigned 15/12/2003)
* C C G Trump MBE
G H Tully

* S J Turton
W A Uglow
* D Verney
* F J Verney
B M Wadsworth
N P Willmington (resigned 2/4/2004)

Council members who died during the year

D M Campbell

Nominated Council Members

Bicton College
Country Land & Business Association
Devon County Council
Devon Young Farmers' Clubs
East Devon District Council
Exeter City Council
Holsworthy & Stratton Show
Honiton & District Agricultural Association
Kingsbridge Show
Mid Devon Town & Country Show
National Farmers' Union
North Devon Agricultural Association
Okehampton & District Agricultural Association
Plymouth City Council
Rural Development Agency
Seale Hayne Faculty
Torbay Council
Totnes & District Show
West Devon Borough Council
Woolery & District Agricultural Show
Yealmpton Agricultural Association

- P Sadler
- see above
- Councillor J H Glanvill
- W Dunn
- Councillor S C Luxton
- Councillor Mrs Y A C Henson
- Ms A Wilson
- Mrs D Tyler-Davis
- Mrs H Baker
- Miss C Branton
- M Hann
- see above
- Mrs G Oliver
- Councillor A Kerswell
- J Barkham
- S Fisher
- Councillor G Porter
- T Jenkins
- see above
- Mrs S Williams
- R Rossiter

Statement of Council members' responsibilities in their capacity as directors and trustees

Law applicable to incorporated charities in England and Wales requires the Council members who are also directors for the purposes of company law, to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable Association and of the Group and of its financial activities during the year. In preparing those financial statements, the Council members are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards and statements of recommended practice have been followed subject to any 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 and Group will continue in operation.

The Council members are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable Association and the Group which enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities.

Consolidated statement of financial activities (incorporating an Income and Expenditure Account)

for the year ended 30 September 2004

	Note	Unrestricted Funds	Restricted Funds	Total 2004	Total 2003
		£	£	£	£
Incoming resources					
Sponsorship and donations	7	11,350	113,482	124,832	88,096
Activities in furtherance of the charity's objectives	5	1,014,027	-	1,014,027	769,314
Membership income	8	48,387	-	48,387	43,850
Activities for generating funds	4	917,884	-	917,884	751,125
Total incoming resources		<u>1,991,648</u>	<u>113,482</u>	<u>2,105,130</u>	<u>1,652,385</u>
Resources expended					
Costs of generating funds	4	396,205	-	396,205	361,416
Charitable expenditure:					
Costs of activities in furtherance of the charity's objectives	6	1,145,426	122,311	1,267,737	1,199,315
Support costs	9	41,903	-	41,903	41,401
Resources expended in managing and administering the charity	10	194,485	-	194,485	144,253
Total resources expended		<u>1,778,019</u>	<u>122,311</u>	<u>1,900,330</u>	<u>1,746,385</u>
Net movement in funds before transfers		<u>213,629</u>	<u>(8,829)</u>	<u>204,800</u>	<u>(94,000)</u>
Transfers between funds		(4,329)	4,329	-	-
Fund balances brought forward at 1 October 2003		<u>2,175,766</u>	<u>5,000</u>	<u>2,180,766</u>	<u>2,274,766</u>
Fund balances carried forward at 30 September 2004	17	<u>2,385,066</u>	<u>500</u>	<u>2,385,566</u>	<u>2,180,766</u>

The charity has no recognised gains or losses other than the net movement in funds for the year.

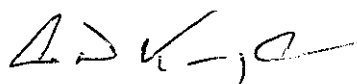
The incoming resources and resulting net movements in funds arise from continuing operations.

Group and Association balance sheets
at 30 September 2004

	Note	Group		Association	
		2004	2003	2004	2003
		£	£	£	£
Investment in subsidiary undertaking	3	-	-	2	2
Fixed assets					
Tangible assets	13	3,911,645	4,022,027	3,911,645	4,022,027
Current assets					
Debtors	14	295,812	311,615	74,389	54,206
Cash at bank and in hand		6,801	23,710	6,225	3,704
		<u>302,613</u>	<u>335,325</u>	<u>80,614</u>	<u>57,910</u>
Creditors: amounts falling due within one year	15	(828,692)	(974,802)	(609,626)	(698,307)
Net current liabilities		(526,079)	(639,477)	(529,012)	(640,397)
Total assets less current liabilities		3,385,566	3,382,550	3,382,635	3,381,632
Creditors: amounts falling due after more than one year	16	(1,000,000)	(1,201,784)	(1,000,000)	(1,201,784)
Net assets		2,385,566	2,180,766	2,382,635	2,179,848
Income funds					
Unrestricted funds		2,382,135	2,174,848	2,382,135	2,174,848
Non charitable trading funds		2,931	918	-	-
Restricted funds		500	5,000	500	5,000
Fund balances	17	2,385,566	2,180,766	2,382,635	2,179,848

These financial statements were approved by the Board of Management on behalf of the Council on 19th November 2004 and were signed on its behalf by:

A D Kingdon
Chairman of Board of Management



Sir John Cave Bt DL
Chairman of Council



N Lindsay-Fynn MA Oxon
Honorary Treasurer



Notes

(forming part of the financial statements)

1 Company Status

The Devon County Agricultural Association, referred to elsewhere in the Report of the Council and these statements as the Association is a company limited by guarantee and has no issued share capital.

The liability of its members (who number 1,646 (2003: 1,808)) shall not exceed £1 each.

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Association's financial statements.

Basis of preparation

The financial statements have been prepared under the historic cost convention as modified for the valuation of investment properties and in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2000) and applicable accounting standards.

Basis of consolidation

The Group financial statements consolidate the financial statements of the Devon County Agricultural Association and its subsidiary undertaking Westpoint Centre (Devon) Limited made up to 30 September 2004. The financial statements are consolidated on a line by line basis.

Profit and loss account

In accordance with Section 230(4) of the Companies Act 1985 the Association is exempt from the requirement to present its own profit and loss account. Following the recommendations of the Statement of Recommended Practice: Accounting and Reporting by Charities (revised 2000), a consolidated statement of financial activities and income and expenditure account is included on page 9.

Cash flow statement

The Association is exempt from the requirement to prepare a cash flow statement under Financial Reporting Standard No. 1 (revised) on the grounds of its size.

Fixed assets and depreciation

Freehold land is not depreciated.

The cost of other fixed assets is written off by equal instalments over their expected useful lives as follows:

Building - structure and infrastructure	50 years
Showground infrastructure	25 years
Building improvements	5-10 years
Showground equipment	5 years
Office equipment	3 -5 years

Notes (continued)

2 Accounting policies (continued)

Activities in furtherance of the charity's objectives

Such income represents the amounts (excluding value added tax) derived from gate receipts, ticket sales, membership subscriptions, investment income and other income relating to the provision of goods and services at the Devon County Show.

Sponsorship and donations

Sponsorship and donations are credited to the consolidated statement of financial activities on a receipts basis. Sponsorship in kind is valued at the opportunity cost to the Association.

Membership Subscriptions

Membership subscriptions are credited to the consolidated statement of financial activities on a receipts basis.

Costs of activities in furtherance of the charity's objectives

Such expenditure relates to the costs incurred in respect of the Devon County Show.

Management and administration costs

Expenditure for the management and administration of the Association includes the costs of the Association office including salary costs.

The Association facilitates membership of a stakeholder pension scheme and makes contributions in the case of members of staff who have decided to join the scheme. Such costs are charged to the consolidated statement of financial activities on an accruals basis.

Fund Accounts

Restricted funds

Restricted funds are those where the incoming resources are provided on the understanding that they will be used for a particular purpose. These include donations and sponsorship receipts for prize money tied to particular competitive classes and sponsorship of the "Keep Devon Farming" feature.

Unrestricted Funds

Unrestricted funds are those available to be spent at the discretion of the Council.

Non-charitable trading funds

Non charitable trading funds represent the net assets of the Associations subsidiary undertaking (Westpoint Centre (Devon) Limited).

Recognition of liabilities

Costs are recognised on an accruals basis.

Taxation

Based on its status as a registered charity and the use of funds for charitable purposes the Association is exempt from corporation taxation on the whole of its income under Section 505 of ICTA 1988.

For the subsidiary company deferred tax is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by FRS 19.

Notes (continued)

3 Subsidiary undertaking

The Association owns all the issued share capital (£2) of Westpoint Centre (Devon) Limited, a company incorporated in England. The accounts have been consolidated with those of the Association on a line by line basis.

4 Activities for generating funds and associated costs

Westpoint Centre (Devon) Limited manages the Westpoint centre and facilities. A summary of the trading results of this company for the year ended 30 September 2004 is shown below. Audited accounts of the company are filed with the Registrar of Companies.

	2004 £	2003 £
Profit and loss account		
Turnover	842,098	704,406
Cost of sales	(396,205)	(361,416)
Gross profit	445,893	342,990
Administrative expenses	(87,184)	(74,458)
Other operating income	75,786	46,719
Taxation	20	44
Net profit before recharges from the Association	434,515	315,295
Charitable donation to the Association under Gift Aid	(210,000)	(123,500)
Rent, overheads and other costs recharged by the Association	(222,500)	(191,550)
Net profit retained in subsidiary	2,015	245

	2004 £	2003 £
Balance sheet		
Current assets	262,290	300,529
Current liabilities	(259,357)	(299,611)
Net assets	2,933	918
Share capital and reserves	2,933	918

5 Activities in furtherance of the charity's objectives

	2004 £	2003 £
Show admission and ticketing	385,970	252,995
Trade stands and tendered contracts	401,233	355,889
Other income	226,824	160,430
	1,014,027	769,314

Notes (continued)

6 Cost of activities in furtherance of the charity's objectives

		2004 £		2003 £
Show costs	626,056		653,103	
Cost of forge and benches written off	30,480	656,536	-	653,103
General Showground overheads		172,800		114,904
Staff costs		194,224		188,341
Depreciation of buildings, plant and machinery		161,394		159,765
		<u>1,184,954</u>		<u>1,116,113</u>
Interest payable – bank loan and overdraft		82,783		83,202
		<u>1,267,737</u>		<u>1,199,315</u>

7(a) Unrestricted funds

During the year the charity received sponsorship and donations in kind valued at £11,350 (2003: £12,130). All of these incoming resources related to the furtherance of the Charity's objectives and have been included under the appropriate heading within resources expended (see note 6).

7(b) Restricted income funds

Restricted income funds in relation to the horse, show jumping and livestock classes relate to sponsorship and donations tied to specific classes.

"Keep Devon Farming" represents tied sponsorship receipts net of the direct costs of staging this feature.

	Balance at 30 September 2003 £	Incoming resources £	Resources Expended £	Transfer from unrestricted funds £	Balance at 30 September 2004 £
Horse classes	-	11,321	(11,321)	-	-
Show jumping classes	-	4,650	(4,650)	-	-
Livestock classes	-	17,540	(17,540)	-	-
Livestock (capital improvements)	5,000	-	(4,500)	-	500
Keep Devon Farming	-	10,500	(10,500)	-	-
Forge improvements	-	21,260	(25,020)	3,760	-
Donations to purchase benches	-	4,891	(5,460)	569	-
Other Show sections and features	-	43,320	(43,320)	-	-
	<u>5,000</u>	<u>113,482</u>	<u>(122,311)</u>	<u>4,329</u>	<u>500</u>

8 Membership income

	2004 £	2003 £
Subscriptions	<u>48,387</u>	<u>43,850</u>

Notes (continued)

9 Fundraising and publicity

	2004	2003
	£	£
Advertising and public relations	41,903	41,401

10 Management and administration

	2004	2003
	£	£
Staff costs	119,991	100,631
Auditors remuneration for audit services	2,550	4,400
Depreciation of office equipment	5,820	5,880
(Profit)/Loss on sale of fixed assets	9,904	(12,289)
Other office costs	56,220	45,631
	194,485	144,253

The auditors remuneration for audit services to the subsidiary company (which is included within costs of generating funds) was £1,900 (2003: £2,400)

Payment for non-audit services was £ nil (2003: £1,400)

11 Staff numbers and costs

	2004	2003
	£	£
Wages and salaries	296,803	266,398
Social security costs	27,038	23,135
Pension costs	4,564	4,371
	328,405	293,904

The average number of employees in the group during the year was:

	Number of employees	
	2004	2003
Administration	10	10
Showground	4	4
Association	14	14
Westpoint	3	3
	17	17

No employees were in receipt of total emoluments in excess of £50,000 (2003:none).

Notes (continued)

12 Council members' remuneration

In accordance with paragraph 4 of the Memorandum of Association no Council member received remuneration or expenses reimbursed during the year (2003: £nil).

13 Tangible fixed assets

Group and Association	Freehold land and buildings £	Plant and machinery £	Office Equipment £	Total £
Cost				
At beginning of year	5,674,412	113,915	54,165	5,842,492
Additions	49,003	14,596	3,667	67,266
Disposals	(33,834)	-	-	(33,834)
At end of year	5,689,581	128,511	57,832	5,875,924
Depreciation				
At beginning of year	1,698,023	77,077	45,365	1,820,465
Charge for year	144,981	16,398	5,835	167,214
Eliminated on disposals	(18,726)	(4,674)	-	(23,400)
At end of year	1,824,278	88,801	51,200	1,964,279
Net book value				
At 30 September 2004	3,865,303	39,710	6,632	3,911,645
At 30 September 2003	3,976,389	36,838	8,800	4,022,027

The gross and net book value of freehold land and buildings includes £402,563 (2003: £402,563) being the cost of land, a non-depreciable asset. In addition, an amount of £132,756 (2003: £132,756) relating to investment property is included in these figures. The Council considers that the value of this property is correctly stated.

14 Debtors

	Group		Association	
	2004	2003	2004	2003
	£	£	£	£
Trade debtors	218,781	262,229	23,445	22,934
Other debtors	1,076	5,134	1,076	4,638
Prepayments	75,955	44,252	49,868	26,634
	<u>295,812</u>	<u>311,615</u>	<u>74,389</u>	<u>54,206</u>

15 Creditors: amounts falling due within one year

	Group		Association	
	2004	2003	2004	2003
	£	£	£	£
Bank loan and overdraft (note 16)	441,790	573,438	421,412	572,202
Trade creditors	38,346	39,496	31,678	18,884
Amounts owed to subsidiary undertaking (Westpoint Centre (Devon) Limited)	-	-	40,291	23,116
Other creditors	12,600	37,969	11,919	29,974
Taxation and social security	22,140	26,728	22,140	24,620
Accruals and deferred income	313,816	297,171	82,186	29,511
	<u>828,692</u>	<u>974,802</u>	<u>609,626</u>	<u>698,307</u>

16 Creditors: amounts falling due after more than one year

	Group and Association	
	2004	2003
	£	£
Bank loan	1,000,000	1,200,000
Other creditors	-	1,784
	<u>1,000,000</u>	<u>1,201,784</u>

The maturity of creditors falling due after more than one year is as follows:

	Group and Association	
	2004	2003
	£	£
Years 2-5	<u>1,000,000</u>	<u>1,201,784</u>

The bank loan and overdraft are secured on the freehold property of the Association.

17(a) Reconciliation of movement of funds – group

	As a at 30 September 2003 £	Income £	Expenditure £	Transfers between funds £	As at 30 September 2004 £
Unrestricted funds:					
General fund	2,174,848	1,073,764	(862,150)	(4,329)	2,382,133
Non charitable trading fund	918	917,884	(915,869)	-	2,933
	<u>2,175,766</u>	<u>1,991,648</u>	<u>(1,778,019)</u>	<u>(4,329)</u>	<u>2,385,066</u>
Restricted funds	5,000	113,482	(122,311)	4,329	500
	<u>2,180,766</u>	<u>2,105,130</u>	<u>(1,900,330)</u>	<u>-</u>	<u>2,385,566</u>

Analysis of net assets between funds – group

	Unrestricted funds £	Restricted funds £	Total £
Tangible fixed assets	3,911,645	-	3,911,645
Current assets	302,113	500	302,613
Current liabilities	(828,692)	-	(828,692)
Creditors falling due after more than one year	(1,000,000)	-	(1,000,000)
	<u>2,385,066</u>	<u>500</u>	<u>2,385,566</u>

17(b) Reconciliation of movement of funds – Association

	As a at 30 September 2003 £	Income £	Expenditure £	Transfers between funds £	As at 30 September 2004 £
Unrestricted funds:					
General fund	2,174,848	1,073,764	(862,150)	(4,329)	2,382,135
Restricted funds	5,000	113,482	(122,311)	4,329	500
	<u>2,179,848</u>	<u>1,187,246</u>	<u>(984,461)</u>	<u>-</u>	<u>2,382,635</u>

Analysis of net assets between funds – Association

	Unrestricted funds £	Restricted funds £	Total £
Tangible fixed assets	3,911,645		3,911,645
Current assets	80,114	500	80,614
Current liabilities	(609,626)		(609,626)
Creditors falling due after more than one year	(1,000,000)		(1,000,000)
	<u>2,382,135</u>	<u>500</u>	<u>2,382,635</u>

18 Commitments

	Group and Association	
	2004	2003
	£	£
Contracted	-	30,577
Authorised but not contracted	-	-

19 Pension Scheme

The Association established a stakeholder pension scheme in October 2003. The pension costs charged for the year represent contributions payable by the company to the scheme and amounted to £2,842 (2003: £2,774)

20 Related party transactions

During the year the Association recharged administrative costs of £222,500 (2003: £191,550) including a rent charge of £55,000 (2003 £50,000) to Westpoint Centre (Devon) Limited. During the year the Association received a payment of £210,000 (2003: £123,500) from Westpoint Centre (Devon) Limited under Gift Aid.

Transactions with members of Council

During the year the Association granted a licence permitting grazing rights over a defined area of its land to Mr D E Parish, a member of the Board of Management and Council. The licence is for the period 2 November 2003 to 31 August 2004 at a rent of £975. Permission was sought and granted by the Charity Commission under section 26 of the Charities Act 1993.

No disclosure has been made in respect of services or benefits provided to or by the Association in which any other Council member has an involvement where such services or benefits were transacted on the same terms and conditions applicable to other businesses at free market rates.

The cost of professional indemnity insurance paid in relation to the trustees was £1,199 (2003: £1,185)

Report of the independent auditors to the members of Devon County Agricultural Association (A Company Limited by Guarantee)

We have audited the financial statements on pages 9 to 19

This report is made solely to the charity's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity's members those matters we are required to state to them in an auditor's 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 members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees, who are also the directors of Devon County Agricultural Association for the purposes of company law, are responsible for preparing the trustees' report and, as described on page 8, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the trustees' report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the group is not disclosed.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the charitable company and the group as at 30 September 2004 and of the group's incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Bishop Fleming
1 Barnfield Crescent
Exeter
EX1 1QY

24 December 2004

The following information relates to Devon County Agricultural Association only, it does not form part of the audited statutory accounts and is included solely for the information of management

Profit and loss account
for the year ended 30 September 2004

	Statement	2004 £	2003 £
Operating Income	I	1,060,362	807,090
Show Expenses	II	(774,066)	(756,082)
General Showground Overheads	III	(211,161)	(153,289)
		(985,227)	(909,371)
Show Contribution		75,135	(102,281)
Depreciation		(161,393)	(159,765)
Administrative Expenses	IV	(176,208)	(146,087)
		(262,466)	(408,133)
Interest payable		(82,784)	(83,202)
Rent receivable		115,535	82,040
Net income of trading subsidiary		434,515	315,295
Net movement in funds		204,800	(94,000)

Statement I Income

	2004 £	2003 £
Income from Show		
Advance sales	98,174	69,448
Gate receipts	287,795	183,545
Sponsorship	83,615	66,471
Publicity and advertising	1,577	1,655
Stand fees (net of discount)	350,708	316,599
Catering concessions	50,525	39,290
Water	5,427	6,327
Vehicle passes	1,311	1,299
Entry fees	47,891	37,896
Livestock accommodation	22,973	20,027
Caravans	7,213	6,120
Other show income	36,804	12,728
Total Show income	994,013	761,405
Other Operating income		
Membership Income (including guests)	48,387	43,850
Non-show sundry income	17,962	1,835
Total other Operating income	66,349	45,685
Total Operating income	1,060,362	807,090

Statement II

Show expenses

	2004 £	2003 £
Publicity and advertising	41,903	41,401
Signs and banners	7,243	9,498
Marquees and tentage	180,649	168,126
Other show contractors	94,586	101,912
Equipment and plant hire	8,823	7,669
External and internal parking and traffic control	37,578	41,471
Security	17,583	17,178
Emergency services and messengers	22,195	28,210
Prizes and trophies	58,527	54,437
Judges, stewards and volunteers expenses	41,017	43,748
Electricity (net of income from trade stands)	22,034	18,265
Water	11,142	21,843
Telephones	4,995	2,921
Showground entertainment	26,529	31,079
Hospitality	8,328	8,484
Show salaries and casual assistance	155,863	149,956
Miscellaneous	4,591	9,884
Total Show expenses	743,586	756,082
Cost of forge and benches written off and largely financed by donations	30,480	-
	774,066	756,082

Statement III
General showground overheads

	2004 £	2003 £
Rates	15,978	17,022
Water rates	17,444	7,376
Electricity	39,814	36,079
Insurances	34,192	29,146
Labour	38,361	38,385
Site maintenance and repairs	41,224	19,894
Vehicle and plant expenses	6,650	5,387
Gypsy costs	17,498	-
Total General Showground overheads	211,161	153,289

Statement IV
Administrative expenses

	2004 £	2003 £
Salaries	41,328	40,426
Printing and stationery	35,310	41,268
Postage, telephone and fax	33,576	34,980
General office expenses	15,415	10,963
Computer costs and maintenance	11,045	9,822
Depreciation	5,820	5,880
Legal and professional fees	16,344	7,824
Bank charges	3,576	3,579
Staff training	491	190
Travel and subsistence	931	885
Hospitality and entertainment	241	254
Association expenses	2,227	2,305
Loss/(profit) on sale of fixed assets	9,904	(12,289)
Total administrative expenses	176,208	146,087