

COMPANY NUMBER 2931640
CHARITY NUMBER 1039397

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2006

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THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2006

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THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 OCTOBER 2006

COMPANY INFORMATION

Charity Number: 1039397

Company Number: 2931640

Directors: J Vintcent (FC) - Chairman
(FC: Member of Finance Committee) R N F Drewett, DL (FC) - Vice Chairman
J Alvis, MBE
R W Ash (FC)
M H Dare
M Felton, MFH
A R Goode (FC, resigned 7 November 2006)
N G K Hutchen (appointed 12 January 2007)
Miss E Matheson of Matheson, DL
Mrs J Sheldon
T R N Walford, MIEE, CEng
E W White

Chief Executive: J Guise, PhD, C.Biol., M.I.Biol., Hon ARCVS

Company Secretary: D H C Batten

Registered Office: The Showground
Shepton Mallet
Somerset
BA4 6QN

Auditor: Old Mill Accountancy LLP
Chartered Accountants and Registered Auditor
The Old Mill
Park Road
Shepton Mallet
Somerset
BA4 5BS

Bankers: National Westminster Bank plc
25 High Street
Shepton Mallet
Somerset
BA4 5AF

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

Solicitors:

Battens
Mansion House
Princes Street
Yeovil
Somerset
BA20 1EP

Investment Managers:

Gerrard Limited
40/42 Queens Square
Bristol
BS1 4QP

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 OCTOBER 2006

The directors of the charitable company ("the Company") are its trustees for the purposes of charitable law and throughout this report are collectively referred to as the directors.

The directors submit their report and audited financial statements for the year ended 31 October 2006. The directors' report also represents the trustees' report required by part VI of the Charities Act 1993. The reference and administrative information set out on page 1 forms part of this report.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Company is a charitable Company Limited by Guarantee without share capital, the guarantors being the council members to the extent of £1 each. There were 128 (2005: 128) council members at the balance sheet date.

The governing documents of the Company are the Memorandum and Articles of Association dated 23 May 1994 with subsequent amendments agreed on 18 November 1999, 19 February 2004 and 16 February 2006. The financial statements comply with these governing documents, current statutory legislation and Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2005). These documents are supported by the Byelaws of the Company which govern the operation of the Company in more detail.

The business of the Company is managed by the directors who may exercise all the powers of the Company. The board of directors is referred to as the Executive Board. The directors are appointed by the Company in general meeting or by the directors although if appointed by the directors the director can only hold office until the next annual general meeting. The directors meet six times a year. At every annual general meeting one third of the directors shall retire by rotation. Directors retiring by rotation may be re-elected but not for a third consecutive term of office.

There is a twice yearly review of the structure of the Executive Board of the Company. This involves a skills review as well a review of the director's responsibilities across the Company. When a requirement is identified a review is made to recruit directors from within the council and volunteer structure of the Company. However, for certain more specialist skills advice is sought from a much wider group sector in which the Company works.

The Company has formal procedures for the induction and training of directors and members. All new members and directors receive a training and information briefing prior to their first council or board meeting. Director's training takes place once a year as appropriate in addition to an annual away day for the board when they review many aspects of the Company.

The annual general meeting comprises full council members and vice presidents. The membership has three representatives on the council of the Company and has an annual members' meeting. The members' representatives are governed by the Byelaws.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Nominations for council membership have to be approved by the directors. Council members are admitted at any general meeting. General meetings are held three times a year. The Company must hold one general meeting as an annual general meeting in each calendar year. General meetings other than the annual meeting are called extraordinary general meetings.

The day to day running of the Company is delegated to the Chief Executive and staff.

The Company relies in its charitable activities upon a large number of volunteer members who meet quarterly to discuss activities. Volunteers are supervised by the Chief Stewards who meet twice a year.

OBJECTIVES AND ACTIVITIES

Objectives

The charitable objective of the Company is the promotion of agriculture, manufacture, commerce and rural crafts.

The Company seeks to achieve the charitable objectives in a variety of measurable ways including:

- Encouraging research through the provision of grants and scholarships,
- Holding technical events and seminars,
- Providing advice,
- Education of a wider audience about the ways of the countryside and encouraging farmers to understand the importance of their neighbours as consumers,
- Contributing to the development of a new strategy for the South West Region,
- Promoting the awareness of farmers who have been trained to be food providers about the new opportunities for non food crops and environmental management,
- Education for children (The Consumers of the Future) to help shape buying policy in the interests of the environment, animal welfare and food safety, and
- Providing a market place for products of the countryside.

The work on identifying the major risks to which the Company is exposed, including controls and monitoring is in place. The directors are satisfied that all major risks have been identified and systems put in place to mitigate those risks. Procedures for regular review are in place.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

OBJECTIVES AND ACTIVITIES (CONTINUED)

Activities

During the 2005/6 financial year considerable goals have been achieved in delivering these objectives. The following are of particular note:

a. Conclusion of a three-year project

The inaugural PhD project funded by the Company has reached its conclusion. A person has been trained in research techniques in agriculture, and a useful project has been delivered. At a time when funding for studentships in agriculture is scarce this has been a valuable exercise, and the grants committee will debate further such support for the future. The topic was very relevant to the current troubles of UK agriculture, to examine which key features of collaboration ensure success, as Sir Don Curry's report highlighted lack of collaboration as being fundamental to the industry's current troubles. This work is likely to encourage cooperative behaviour to the industry's greater good.

b. Economic impact assessment

Funding was secured from the Regional Development Agency and partners to conduct a full economic impact assessment of the Society's activities, as part of the proposal to redevelop the showground facilities to appeal to a modern audience and hence enhance charitable income and expenditure. This report was published in December 2005, and conservatively estimates that the Society encourages economic activity in the rural business community of £164m annually. This far outweighs what the Society can achieve with its own income and demonstrates without doubt the hugely positive effect the showground exhibitions have on rural practitioners and the local infrastructure.

c. Establishment of new show.

The pinnacle of the livestock year has been for many years the Smithfield Show, a London based show and sale providing prime meat for the Christmas market. A Smithfield champion commands very high prices and is acknowledged throughout the gourmet food world as being the finest meat available. In early 2006 the show was cancelled by its organisers owing to the high costs of holding it in London. For a while it looked as though the Smithfield competitions, and their value-enhancing effects would be lost. This was particularly disappointing as the livestock industry was showing the first signs of recovery after a difficult decade when the effects of disease (both communicable and animal) caused near-decimation. The Society was among those who offered to host an event as a platform for the Smithfield competitions, and won the competitive process. The year was spent planning and delivering a superb National showcase of all agriculture has to offer, with a strong emphasis on encouraging dialogue between producers and consumers, with strong educational and promotional themes. This entailed huge effort and skill, but the rewards in delivering our charitable objectives were very obvious.

These three examples are all new initiatives, but the more traditional activities should not be ignored. As usual the portfolio of activities has been highly focussed on supporting agriculture and rural business, so exhibitions, grants, technical events have all contributed to raising the game for those who live and work in rural Britain.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

FINANCIAL REVIEW

Results for the Year

The unrestricted group net outgoing resources for the year were £78,509 (2005 As Restated: £83,935). There were restricted group net outgoing resources of £27,564 (2005: incoming £115,114 arising largely from grants totalling £98,150 towards the Edmund Rack Pavilion heating system).

The Trading Company continues to make a crucial contribution to the Society's finances with a surplus for the year of £210,237 (2005: £323,353). These amounts are included in the group figures above.

After taking account of the net gain on investment assets of £16,840 (2005: £10,459) there was a group net deficit for the year of £89,233 (2005 As Restated: surplus, £41,638).

Group net current liabilities decreased slightly from £215,944 at 31 October 2005 to £202,335 at 31 October 2006. There was an on-going investment in the infrastructure of the company with capital expenditure of £141,311 (2005: £245,288).

Reserves

The reserves of the Company freely available to be spent in furtherance of its charitable objectives were as follows:-

	2006(As Restated)	2005
	£	£
Total Group Reserves	1,996,914	2,086,147
Less: Restricted Funds	(193,601)	(221,165)
Designated Funds	(24,058)	(25,786)
Fixed Assets Used for Charitable Purposes	(1,918,372)	(2,010,084)
	<hr/>	<hr/>
(Deficit) on Free Reserves	(139,117)	(170,888)
	<hr/>	<hr/>

The directors are encouraged that the deficit on free reserves decreased during the year from £170,888 in 2005 to £139,117 in 2006. However, it is appreciated that there is considerable improvement needed to reach the target level of reserves of £400,000. The directors continue with their work in increasing the income of the company and reducing costs.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

FINANCIAL REVIEW (CONTINUED)

Grants Payable

The Company allocates approximately ten percent of its annual surplus plus depreciation for the previous year to a grants fund. Applications are invited from individuals and organisations for support for projects closely allied to the Company's charitable objectives. A grants committee, which meets as necessary during the year, oversees the allocation of grants.

Investment Policy

The Company may invest surplus cash resources in any investments, securities or property as may be thought fit. Day to day management of the portfolio of investments is delegated to the investment managers who are instructed to invest with a view to maximising capital growth considering medium risk. The directors regularly review the portfolio valuation.

Tangible Fixed Assets

Information relating to the changes in tangible fixed assets is given in Note 10 to the financial statements. The directors estimate that the current market value of the freehold land, based on its agricultural value, is in the region of £600,000 compared to its cost included in the financial statements at £208,283.

RELATED PARTIES

The Company owns 100% of the share capital of The Bath and West Trading Co Limited, the principal activity of which is the commercial organisation of events and the provision of catering services. Of the directors, Mr Goode and Mr Hutchen (since 12 January 2007) are directors of this Company.

STATEMENT OF DISCLOSURE OF INFORMATION TO THE AUDITOR

So far as each of the directors at the time the report is approved are aware:

- there is no relevant audit information of which the Company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

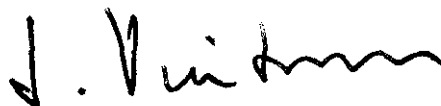
STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are required to prepare financial statements for each financial year, which give a true and fair view of the state of affairs of the Company and the Group and the incoming resources and application of resources, including the net income or expenditure, of the Group for the year. In preparing those financial statements, the directors 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 have been followed, subject to any material 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 Company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company and the Group and which enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Approved by the directors on 19th January 2007 and signed on their behalf by



.....
J Vincent
Chairman



.....
R N F Drewett
Vice Chairman

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED 31 OCTOBER 2006

We have audited the financial statements of The Royal Bath and West of England Society (Company Limited by Guarantee) on pages 4 to 20. These financial statements have been prepared under the historical cost convention (as modified by the revaluation of fixed asset investments) and the accounting policies set out therein.

This report is made solely to the Company'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 Company'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 for anyone other than the Company and the Company's members as a body for our audit work, for this report or for the opinions we have formed.

Respective Responsibilities of Directors and Auditor

As described in the Statement of Directors' Responsibilities on pages 2(d) and 2(e), the directors (who are also its trustees for the purposes of Charity Law), are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

It is our responsibility to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 Report of the Directors is not consistent with the financial statements, if the Company 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 Company is not disclosed.

We read other information contained in the Report of the Directors and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) 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 directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Company'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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

Opinion

In our opinion the financial statements:

- give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's and Group's affairs as at 31 October 2006 and of the Group's incoming resources and application of those resources, including the Group's income and expenditure, for the year then ended;
- have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

Old Mill Accountancy LLP

Old Mill Accountancy LLP
Chartered Accountants and Registered Auditor
The Old Mill
Park Road
Shepton Mallet
Somerset
BA4 5BS

19.11.07
.....
Date

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 OCTOBER 2006

		Unrestricted Funds	Restricted Funds	Total 2006	Total 2005 (As Restated)
	Note	£	£	£	£
INCOMING RESOURCES (INCOME)					
Incoming Resources from Generated Funds					
Voluntary Income					
Donations		1,422	-	1,422	5,473
Grants Received		-	-	-	98,150
Activities for Generating Funds					
Rents		26,771	-	26,771	31,646
Income of the Trading Subsidiary	4	1,385,592	-	1,385,592	1,401,392
Investment Income		4,442	-	4,442	4,658
Incoming Resources from Charitable Activities					
Shows					
Main Show	3	1,585,720	-	1,585,720	1,504,428
Other Shows and Events	3	468,934	24,750	493,684	346,774
Agricultural Advisory Services	3	-	98,601	98,601	89,116
Other Incoming Resources					
Subscriptions		64,283	-	64,283	67,403
Other Income		6,413	-	6,413	6,458
TOTAL INCOMING RESOURCES		3,543,577	123,351	3,666,928	3,555,498
RESOURCES EXPENDED (EXPENDITURE)					
Cost of Generating Funds					
Expenditure of Trading Subsidiary	4	1,035,355	-	1,035,355	948,039
Investment Management Fees		593	-	593	483
		1,035,948	-	1,035,948	948,522
Charitable Activities					
Shows					
Main Show	3	1,930,426	29,015	1,959,441	1,958,041
Other Shows and Events	3	548,499	24,750	573,249	460,920
Agricultural Advisory Services	3	-	97,150	97,150	70,942
Education	3	24,728	-	24,728	12,739
Governance Costs	7	82,485	-	82,485	73,155
TOTAL RESOURCES EXPENDED		3,622,086	150,915	3,773,001	3,524,319

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

		Unrestricted Funds	Restricted Funds	Total 2006	Total 2005 (As Restated)
	Note	£	£	£	£
NET (OUTGOING)/INCOMING RESOURCES ((EXPENDITURE)/INCOME)		(78,509)	(27,564)	(106,073)	31,179
Net Gain on Investment Assets		16,840	-	16,840	10,459
		<hr/>	<hr/>	<hr/>	<hr/>
NET MOVEMENT IN FUNDS FOR THE YEAR		(61,669)	(27,564)	(89,233)	41,638
		<hr/>	<hr/>	<hr/>	<hr/>
FUNDS BROUGHT FORWARD					
As Previously Stated		1,909,025	221,165	2,130,190	2,079,929
Prior Year Adjustment	20	(44,043)	-	(44,043)	(35,420)
		<hr/>	<hr/>	<hr/>	<hr/>
As Restated		1,864,982	221,165	2,086,147	2,044,509
		<hr/>	<hr/>	<hr/>	<hr/>
FUNDS CARRIED FORWARD		1,803,313	193,601	1,996,914	2,086,147
		<hr/>	<hr/>	<hr/>	<hr/>

All of the above results are derived from continuing activities. All gains and losses recognised in the year are included above. The surplus for the year for Companies Act purposes comprises the net outgoing resources for the year of £106,073 (2005 As Restated: incoming £31,179) plus realised losses on investments of £1,212 (2005: gains £365).

The notes on pages 6 to 20 form an integral part of these financial statements.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED AND COMPANY BALANCE SHEETS
AS AT 31 OCTOBER 2006

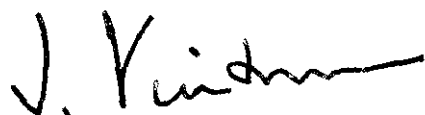
		Group 2006 £	Group 2005 (As Restated) £	Company 2006 £	Company 2005 (As Restated) £
FIXED ASSETS	Note				
Tangible Assets	10	2,083,507	2,204,234	2,083,507	2,204,234
Investments	11	128,864	108,992	128,866	108,994
		<hr/>	<hr/>	<hr/>	<hr/>
		2,212,371	2,313,226	2,212,373	2,313,228
		<hr/>	<hr/>	<hr/>	<hr/>
CURRENT ASSETS					
Stock	12	54,008	53,806	51,789	50,440
Debtors	13	327,029	392,664	305,966	247,006
Cash at Bank and in Hand		168,547	15,819	829	565
		<hr/>	<hr/>	<hr/>	<hr/>
		549,584	462,289	358,584	298,011
		<hr/>	<hr/>	<hr/>	<hr/>
CREDITORS: Amounts Falling Due Within One Year					
Bank Overdraft		(160,208)	(199,838)	(160,208)	(199,838)
Other	14	(591,711)	(478,395)	(401,513)	(315,203)
		<hr/>	<hr/>	<hr/>	<hr/>
		(751,919)	(678,233)	(561,721)	(515,041)
		<hr/>	<hr/>	<hr/>	<hr/>
NET CURRENT LIABILITIES		(202,335)	(215,944)	(203,137)	(217,030)
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL ASSETS LESS CURRENT LIABILITIES		2,010,036	2,097,282	2,009,236	2,096,198
		<hr/>	<hr/>	<hr/>	<hr/>
CREDITORS: Amounts Falling Due After More Than One Year					
Subscription and Trade Stands	16	(13,122)	(11,135)	(13,122)	(10,851)
		<hr/>	<hr/>	<hr/>	<hr/>
NET ASSETS		1,996,914	2,086,147	1,996,114	2,085,347
		<hr/>	<hr/>	<hr/>	<hr/>

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED AND COMPANY BALANCE SHEETS
AS AT 31 OCTOBER 2006 (CONTINUED)

		Group 2006	Group 2005 (As Restated)	Company 2006	Company 2005 (As Restated)
	Note	£	£	£	£
FUNDS					
Unrestricted Funds					
General Funds	17	1,753,678	1,835,949	1,753,678	1,835,949
Revaluation Reserve	17	24,777	2,447	24,777	2,447
Non Charitable Trading Funds	17	800	800	-	-
Designated Funds	17	24,058	25,786	24,058	25,786
		<hr/>	<hr/>	<hr/>	<hr/>
		1,803,313	1,864,982	1,802,513	1,864,182
Restricted Funds					
	17	193,601	221,165	193,601	221,165
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS		1,996,914	2,086,147	1,996,114	2,085,347
		<hr/>	<hr/>	<hr/>	<hr/>

The financial statements on pages 4 to 20 were approved by the directors on
and signed on their behalf by

19th January 2007



J Vintcent
Chairman



R N F Drewett
Vice Chairman

The notes on pages 6 to 20 form an integral part of these financial statements.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2006

1. COMPANY STATUS

The Company is a registered charity and a Company Limited by Guarantee, without share capital. The guarantors are the council members to the extent of £1 each. There were 128 (2005: 128) members at the balance sheet date.

2. ACCOUNTING POLICIES

Basis of Accounting

The financial statements have been prepared in accordance with the historical cost convention (as modified for the revaluation of fixed asset investments) applicable accounting standards, Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2005) and the Companies Act 1985. The principal accounting policies which have been adopted on a consistent basis within that convention are set out below.

The Company has taken advantage of Paragraph 3 (3) of Schedule 4 of the Companies Act 1985 and adapted the Companies Act formats to reflect the special nature of the Company's activities. No separate statement of financial activities has been presented for the Company alone as permitted by Section 230 of the Companies Act 1985 and paragraph 304 of the SORP.

Group Financial Statements

These financial statements consolidate the results of the Company and its subsidiary Company, The Bath and West Trading Co Limited, on a line by line basis.

The assets and liabilities of the subsidiary Company are consolidated in the Balance Sheet. The gross income and gross expenditure of the subsidiary, The Bath and West Trading Co Limited, are included in the consolidated statement of financial activities.

Incoming Resources

Income is recognised in the period in which the Company is entitled to receipt and the amount can be quantified with reasonable certainty.

Life subscriptions are received and credited to the statement of financial activities on a straight line basis over fifteen years. The balance of life subscriptions received and trade stand income relating to future years is shown as deferred income.

All income is shown net of value added tax where applicable.

Intangible income in the form of donated goods and services is not considered to be material and no adjustments have been made to the financial statements.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

2. ACCOUNTING POLICIES (CONTINUED)

Resources Expended

Resources expended are accounted for in the period in which they are incurred.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

Support costs are those costs incurred directly in support of expenditure on the charitable activities of the Company. Governance costs are those incurred in connection with the administration of the Company and compliance with constitutional and statutory requirements.

Grants (Education) are payments the Company makes voluntarily to other institutions or individuals in order to further its objectives. They are charged to the Statement of Financial Activities in the year in which they are payable.

Tangible Fixed Assets and Depreciation

Tangible fixed assets costing more than £1,000 are capitalised and included at cost (including any incidental expenses of acquisition).

Depreciation, calculated on the straight line method, is provided to write off the cost less estimated residual value of the fixed assets over the course of their useful lives, except for freehold land which is not depreciated. The rates during the year were as follows:-

Showground Buildings	- Timber and Concrete	10%
	- Edmund Rack Pavilion	4%
	- Other Buildings	2%
Improvements	- Over the Remaining Life of the Building	
	- Other Assets	10%
Plants, Implements, Furniture and Fixtures		10 - 25%
Motor Vehicles		25%

The Company has various inalienable assets which have been donated over the years such as cups and trophies, paintings and a library. These assets have not been capitalised as the directors consider it impractical to obtain reasonable estimates of their original cost.

Investments

Investments are stated at their market value at the year end. Income is credited to the statement of financial activities when receivable. Realised and unrealised gains and losses on investments are included within the statement of financial activities. Investments in subsidiary undertakings are included at cost.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

2. ACCOUNTING POLICIES (CONTINUED)

Stocks

Stocks are stated at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving items.

Pension Costs

The Company contributes to a defined contribution pension scheme, the assets of which are held separately from those of the Company. The scheme is independently administered. Contributions are charged to the statement of financial activities as they fall due in accordance with the scheme rules.

Operating Leases

Rentals paid under operating leases are charged to the statement of financial activities on a straight line basis over the term of the lease.

Hire Purchase Agreements

Assets held under hire purchase agreements are included in the balance sheet at cost less depreciation in accordance with the Company's normal accounting policy. The present value of future rentals is shown as a liability. The interest element of rental obligations is charged to the statement of financial activities over the life of the lease in proportion to the balance of the capital payments outstanding.

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the directors in furtherance of the Company's objectives and which have not been designated for other purposes.

The revaluation reserve is required by the Companies Act 1985 and represents the amount by which investments exceed their historical cost.

The non-charitable trading funds are the funds of the subsidiary company, The Bath and West Trading Company Limited.

Designated funds comprise unrestricted funds that have been set aside by the directors for particular purposes. The aim and use of each designated fund is set out in the notes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

3. ANALYSIS OF CHARITABLE ACTIVITIES

	2006				2005 (As Restated)			
	Income £	Direct Costs £	Support Costs £	Total Surplus/ Costs (Deficit) £	Income £	Direct Costs £	Support Costs £	Total Surplus/ Costs (Deficit) £
Main Show	1,585,720	820,663	1,138,778	1,959,441 (373,721)	1,504,428	829,435	1,128,606	1,958,041 (453,613)
Other Shows and Events								
Unrestricted								
Dairy Show	164,549	92,474	121,265	213,739 (49,190)	163,401	87,944	117,845	205,789 (42,388)
Grasslands	175,916	75,082	111,871	186,953 (11,037)	4,045	2,712	-	2,712 1,333
Conferences	6,423	3,856	-	3,856 2,567	72,381	73,197	51,394	124,591 (52,210)
Horse Trials	66,891	73,085	51,381	124,466 (57,575)	18,984	16,735	-	16,735 2,249
Society Ball					27,136	18,340	-	18,340 8,796
Special Projects	55,155	19,485	-	19,485 35,670	-	31,926	-	31,926 (31,926)
Virtual Showground	-	-	-	-	-	-	-	-
	468,934	263,982	284,517	548,499 (79,565)	285,947	230,854	169,239	400,093 (114,146)
Restricted								
Special Projects	11,000	11,000	-	11,000 -	27,000	27,000	-	27,000 -
Virtual Showground	13,750	13,750	-	13,750 -	33,827	33,827	-	33,827 -
	24,750	24,750	-	24,750 -	60,827	60,827	-	60,827 -
Agricultural Advisory								
Services	98,601	97,150	-	97,150 1,451	89,116	70,942	-	70,942 18,174
Education	-	24,728	-	24,728 (24,728)	-	12,739	-	12,739 (12,739)
	2,178,005	1,231,273	1,423,295	2,654,568 (476,563)	1,940,318	1,204,797	1,297,845	2,502,642 (562,324)

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

4. TRADING SUBSIDIARY

The Company has a wholly owned trading subsidiary, The Bath and West Trading Co Limited (Registered Company Number 2891950), which was incorporated in England. The Bath and West Trading Co Limited carries on the non primary charitable purpose trading activities namely the commercial organisation of events and provision of catering services. Financial statements have been filed with the Registrar of Companies.

A summary of its results is shown below:

	2006 £	2005 £
Turnover	1,384,253	1,399,765
Cost of Sales	(822,012)	(744,397)
	<hr/>	<hr/>
Gross Profit	562,241	655,368
Administrative Expenses (excluding rents payable to parent company)	(213,344)	(203,642)
Interest Receivable	1,340	1,627
	<hr/>	<hr/>
Profit on Ordinary Activities Before Rent	350,237	453,353
Rent Due to the Royal Bath and West of England Society (eliminated on consolidation)	(140,000)	(130,000)
	<hr/>	<hr/>
Surplus Donated to Parent Company by Gift Aid	210,237	323,353
	<hr/>	<hr/>
The aggregate of the assets, liabilities and funds were:		
Assets	303,405	188,341
Liabilities	(302,603)	(187,539)
	<hr/>	<hr/>
	802	802
	<hr/>	<hr/>

Funds represent 2 ordinary shares of £1 each (2005: 2 ordinary shares of £1 each) and the balance on the profit and loss account of £800 (2005: £800).

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

5. INVESTMENT INCOME

	2006 £	2005 £
Interest Receivable	860	663
Dividends Receivable from UK Equity Shares	3,582	3,995
	<hr/>	<hr/>
	4,442	4,658
	<hr/>	<hr/>

6. SUPPORT COSTS

	2006 £	2005 (As Restated) £
Wages and Salaries	610,703	555,488
Rates, Insurance and Power	150,762	162,499
Repairs and Planned Maintenance	133,263	136,300
Postage, Printing and Stationery and Telephone	73,466	74,682
Travel and Transport	38,584	25,091
Training and Health and Safety	12,313	14,851
Depreciation	258,557	192,093
Loss on Disposal of Fixed Assets	3,481	8,623
Operating Lease Rentals	22,652	19,835
Hire Purchase Interest	(548)	584
Bank Interest	8,129	6,327
Bank Charges	14,288	16,196
Legal and Professional	2,791	10,677
Computer Consultancy and Software	39,275	26,114
Staff Recruitment	5,400	-
Showground Security	10,700	9,990
Affiliations and Donations	6,801	6,260
Student Placement	17,853	15,421
Marketing	9,374	4,478
Miscellaneous	5,451	12,336
	<hr/>	<hr/>
	1,423,295	1,297,845
	<hr/>	<hr/>

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

7. GOVERNANCE COSTS

	2006 £	2005 £
Wages and Salaries	58,639	57,481
Office Costs	2,714	2,635
Directors' Liability Insurance	1,418	1,250
Audit	7,000	5,500
Accountancy	12,714	6,289
	<hr/>	<hr/>
	82,485	73,155
	<hr/>	<hr/>

In addition included within the administrative expenses of the trading subsidiary as disclosed in Note 4 are audit fees of £4,500 (2005: £3,830).

8. STAFF COSTS

	Group 2006 £	Group 2005 £	Company 2006 £	Company 2005 £
Wages and Salaries	815,985	725,592	627,019	570,330
Employer's National Insurance	79,067	70,799	65,754	59,385
Pension Costs	41,323	38,687	41,323	38,687
	<hr/>	<hr/>	<hr/>	<hr/>
	936,375	835,078	734,096	668,402
	<hr/>	<hr/>	<hr/>	<hr/>
The average number of employees was:	Group 2006	Group 2005	Company 2006	Company 2005
Cost of Generating Funds	7	7	-	-
Charitable Activities	31	27	31	27
Governance Costs	2	2	2	2
	<hr/>	<hr/>	<hr/>	<hr/>
	40	36	33	29
	<hr/>	<hr/>	<hr/>	<hr/>

One member of staff had emoluments, excluding pension contributions, within the band £70,001 - £80,000 (2005: one). The contributions for the provision of retirement benefits under a money purchase pension scheme for staff within this band were £7,938 (2005: £7,707).

No remuneration or expenses were paid to the directors (2005: £Nil).

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

8. STAFF COSTS (CONTINUED)

There was directors' and officers' liability insurance totalling £2 million (2005: £2 million). The premium charged in the financial statements for this cover is £1,418 (2005: £1,250).

9. TAXATION STATUS

The Company is exempt from taxation due to its charitable status.

10. TANGIBLE FIXED ASSETS**GROUP AND COMPANY**

	Freehold Land Improvements £	Freehold Showground Buildings & Improvements £	Plant, Implements, Furniture & Fixtures £	Motor Vehicles £	Total £
COST					
As at 1 November 2005					
As Previously Stated	208,283	3,891,235	610,950	25,449	4,735,917
Prior Year Adjustment	-	(65,279)	(284,367)	(1,949)	(351,595)
	-----	-----	-----	-----	-----
As Restated	208,283	3,825,956	326,583	23,500	4,384,322
Additions	-	106,149	35,162	-	141,311
Disposals	-	(4,094)	-	-	(4,094)
	-----	-----	-----	-----	-----
As at 31 October 2006	208,283	3,928,011	361,745	23,500	4,521,539
	-----	-----	-----	-----	-----

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

10. TANGIBLE FIXED ASSETS (CONTINUED)**GROUP AND COMPANY**

	Freehold Land Improvements £	Freehold Showground Buildings & Improvements £	Plant, Implements, Furniture & Fixtures £	Motor Vehicles £	Total £
DEPRECIATION					
As at 1 November 2005					
As Previously Stated	-	1,965,641	508,800	13,199	2,487,640
Prior Year Adjustment	-	(22,540)	(283,063)	(1,949)	(307,552)
As Restated	-	1,943,101	225,737	11,250	2,180,088
Disposals	-	(613)	-	-	(613)
Charge for the Year	-	212,515	41,917	4,125	258,557
As at 31 October 2006	-	2,155,003	267,654	15,375	2,438,032
NET BOOK VALUE					
As at 31 October 2006	208,283	1,773,008	94,091	8,125	2,083,507
As at 31 October 2005					
As Previously Stated	208,283	1,925,594	102,150	12,250	2,248,277
Prior Year Adjustment	-	(42,739)	(1,304)	-	(44,043)
As Restated	208,283	1,882,855	100,846	12,250	2,204,234

The net book value at 31 October 2006 represents fixed assets used entirely for charitable purposes. The Company, over a considerable number of years, acquired assets by way of donations. The directors consider it impractical to obtain reasonable estimates of their original cost and so have not capitalised such items. The items involved are cups and trophies together with paintings and other articles of value which have a combined insurance valuation of £266,100 (2005: £266,100). The Company also has a specialist library which is held at Bath University and is valued in the region of £81,000 (2005: £81,000).

Tangible fixed assets included assets with a cost of £Nil (2005: £33,828) and a net book value of £Nil (2005: £16,194) in respect of assets held under hire purchase agreements. The depreciation charged to the Financial Statements in the year in respect of such assets amounted to £Nil (2005: £5,399).

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

11. FIXED ASSET INVESTMENTS

	2006 £	2005 £
Group		
Market Value Brought Forward	102,907	89,082
Additions	36,199	9,082
Sale Proceeds from Disposals	(35,596)	(5,716)
Realised (Loss)/Gain	(1,212)	365
Unrealised Appreciation	18,052	10,094
	<hr/>	<hr/>
Market Value Carried Forward	120,350	102,907
Cash held in Investment Portfolio	8,514	6,085
	<hr/>	<hr/>
Market Value Carried Forward	128,864	108,992
	<hr/>	<hr/>
Historical Value Carried Forward	104,087	106,545
	<hr/>	<hr/>

£112,103 (2005: £93,128) of the market value of investments is represented by UK listed equities.

Share holdings which individually represent more than 5% of the Company's Investments are:

No. of Shares	Investments	Market Value £
2,200	BP plc \$0.25 Ordinary Shares	12,826
750	Glaxo SmithKline £0.25 Ordinary Shares	10,500
625	Invesco Managers Perpetual Income Nav	8,091
5,040	Legal and General £0.025 Ordinary Shares	7,283
4,000	Liontrust Investment Funds Ltd	7,569
2,475	Lloyds TSB Group £0.25 Ordinary Shares	13,848
8,000	Old Mutual Fund Managers Ltd	9,986
540	Unilever plc £0.031111 Ordinary Shares	7,025

Company

Investments held by the Company also include an additional £2 (2005: £2) investment in the subsidiary company at cost (see note 4).

Subsidiary Company

The Bath and West Trading Co Limited has a wholly owned subsidiary, Westex Events Limited (Registered Company Number 3039130). The Company is registered in England and its principal activity is the commercial organisation of events but has not traded since its incorporation. The Royal Bath and West of England Society has a 100% indirect interest in the company.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

12. STOCKS

	Group 2006	Group 2005	Company 2006	Company 2005
	£	£	£	£
Consumables	54,008	53,806	51,789	50,440

13. DEBTORS

	Group 2006	Group 2005	Company 2006	Company 2005
	£	£	£	£
Trade Debtors	176,954	272,618	67,823	129,682
Amounts Due from Group Undertakings	-	-	112,402	24,060
Other Debtors	30,644	40,031	6,310	13,249
Prepayments and Accrued Income	119,431	80,015	119,431	80,015
	327,029	392,664	305,966	247,006

14. CREDITORS: Amounts falling due within one year

	Group 2006	Group 2005	Company 2006	Company 2005
	£	£	£	£
Horse Trial Loan	7,500	7,500	7,500	7,500
Trade Creditors	314,405	359,370	173,936	242,646
Other Taxation and Social Security	104,686	61,777	59,741	19,852
Amounts Due Under Hire Purchase Agreements (Note 15)	-	6,569	-	6,569
Accruals	47,954	23,818	43,454	20,059
Deferred Income (Note 16)	117,166	19,361	116,882	18,577
	591,711	478,395	401,513	315,203

15. OBLIGATIONS UNDER HIRE PURCHASE AGREEMENTS

	Group 2006	Group 2005	Company 2006	Company 2005
	£	£	£	£
Total Creditor Due	-	6,569	-	6,569
Shown as:				
Due Within 1 Year (Note 15)	-	6,569	-	6,569

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

16. DEFERRED INCOME

	Group 2006 £	Group 2005 £	Company 2006 £	Company 2005 £
Balance Brought Forward	30,496	42,220	29,428	40,369
Subscriptions and Trade Stands Income Received	995,893	850,045	820,215	658,456
Smithfield Income Received	114,391	-	114,391	-
Released to Statement of Financial Activities	(1,010,492)	(861,769)	(834,030)	(669,397)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance Carried Forward	130,288	30,496	130,004	29,428
	<hr/>	<hr/>	<hr/>	<hr/>

Smithfield income received relates to the Society's new show held on the 1 and 2 December 2006.

Deferred income will be applied as follows:

	Group 2006 £	Group 2005 £	Company 2006 £	Company 2005 £
Within 1 year	117,166	19,361	116,882	18,577
Within 2 to 5 years	9,707	7,849	9,707	7,565
After 5 years	3,415	3,286	3,415	3,286
	<hr/>	<hr/>	<hr/>	<hr/>
	130,288	30,496	130,004	29,428
	<hr/>	<hr/>	<hr/>	<hr/>

17. STATEMENT OF FUNDS

GROUP	As at 1 November 2005 (As Restated) £	Income £	Expenditure £	Investment (Losses)/ Gains £	Transfers £	As at 31 October 2006 £
Unrestricted Funds:						
General Funds	1,835,949	2,157,985	(2,562,003)	(1,212)	322,959	1,753,678
Revaluation Reserve	2,447	-	-	18,052	4,278	24,777
Non Charitable Trading Funds	800	1,385,592	(1,035,355)	-	(350,237)	800
Designated Funds:						
Bath and West Grants	25,786	-	(24,728)	-	23,000	24,058
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Unrestricted Funds	1,864,982	3,543,577	(3,622,086)	16,840	-	1,803,313
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

17. STATEMENT OF FUNDS (CONTINUED)
GROUP

	As at 1 November 2005 (As Restated) £	Income £	Expenditure £	Investment (Losses)/ Gains £	Transfers £	As at 31 October 2006 £
Restricted Funds:						
DAAS	27,015	98,601	(97,150)	-	-	28,466
New Wine Trust	96,000	-	(19,200)	-	-	76,800
Edmund Rack Pavilion Heating System	98,150	-	(9,815)	-	-	88,335
Economic Impact Assessment	-	11,000	(11,000)	-	-	-
Virtual Showground	-	13,750	(13,750)	-	-	-
	-----	-----	-----	-----	-----	-----
Total Restricted Funds	221,165	123,351	(150,915)	-	-	193,601
	-----	-----	-----	-----	-----	-----
Total Funds	2,086,147	3,666,928	(3,773,001)	16,840	-	1,996,914
	-----	-----	-----	-----	-----	-----

Designated Funds

Bath and West Grants

During the year £23,000 was designated to this fund (2005: £14,000). The fund is used to fund the scholars' travel costs to support agriculture and allied industries. The fund also covers the costs of administering the scholarship awards made by the Company. Awards are made to candidates selected from applications received.

The fund provides support for projects carried on by third parties which are identified as coming within the Company's charitable objectives.

Restricted Funds

DAAS

The Company provides the Dorset Agricultural Advisory Service (DAAS). The service offers free, impartial and confidential general advice and a signposting service for farmers and land based industries.

New Wine Trust

A grant was received from the New Wine Trust to assist towards the costs of the water and sewage pipeline infrastructure.

Edmund Rack Pavilion Heating System

Grants were received from Cleerskies, EDF Energy and Wood Energy to assist towards the costs of a sustainable energy heating system in the Edmund Rack Pavilion.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

17. STATEMENT OF FUNDS (CONTINUED)

Economic Impact Assessment

A grant was received from the South West Regional Development Agency in order that an Economic Impact Assessment could be commissioned.

Virtual Showground

A grant was received from the Department for Environment Food and Rural Affairs to assist towards the costs of setting up a Virtual Showground.

COMPANY

The net movement of funds for the Company is a deficit of £89,233 (2005 As Restated: surplus £41,638). Total funds brought forward (As Restated) were £2,085,347 (2005 As Restated: £2,043,709). Total funds carried forward were £1,996,114 (2005 As Restated: £2,085,347).

18. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	General Funds (including Revaluation Reserve) £	Designated Funds £	Restricted Funds £	Total £
Fund balances at 31 October 2006 are Represented by:				
Tangible Fixed Assets	1,918,372	-	165,135	2,083,507
Investments	128,864	-	-	128,864
Other (Liabilities)/Assets	(267,981)	24,058	28,466	(215,457)
	<hr/>	<hr/>	<hr/>	<hr/>
	1,779,255	24,058	193,601	1,996,914
	<hr/>	<hr/>	<hr/>	<hr/>

There are sufficient resources available, held in an appropriate form, to enable restricted and designated funds to be applied in accordance with restrictions imposed.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2006 (CONTINUED)

19. FINANCIAL COMMITMENTS**Capital**

At 31 October 2006 the group had £115,000 authorised and contracted capital commitments (2005: £8,000).

Obligations under Non-cancellable Leases

At 31 October 2006 the group has annual commitments under non-cancellable leases for equipment as follows:

	2006 £	2005 £
Expiry Date:		
Within 1 year	2,232	2,232
2 to 5 years	27,485	20,061
Over 5 years	-	3,992
	<hr/>	<hr/>
	29,717	26,285
	<hr/>	<hr/>

20. PRIOR YEAR ADJUSTMENT

During the year the directors undertook a detailed review of the fixed assets held by the Company.

As a result it has been necessary to write off certain old and obsolete assets, most of which were already fully written down.

This has resulted in a prior year adjustment as follows:

	Cost £	Accumulated Depreciation £	Net Book Value £
Year Ended 31 October 2005	24,055	15,432	8,623
Year Ended 31 October 2004 and Prior	327,540	292,120	35,420
	<hr/>	<hr/>	<hr/>
	351,595	307,552	44,043
	<hr/>	<hr/>	<hr/>