

COMPANY NUMBER 02931640
CHARITY NUMBER 1039397

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

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2011

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THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011

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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 DECEMBER 2011

COMPANY INFORMATION

Charity Number: 1039397

Company Number: 02931640

Directors:

(FC: Member of Finance Committee) J Alvis, MBE
R W Ash (FC)
R T Calver (FC)
Lord Cameron of Dillington DL
R N F Drewett, DL (FC) - Vice Chairman
M Felton, MFH
A Gibson, OBE
A R Goode (FC) (resigned 3 May 2011)
N G K Hutchen (FC) – Honorary Treasurer
Miss E Matheson of Matheson, DL
Mrs A C Maw
E W White (FC) - Chairman
Mrs A B Yeoman, OBE DL

Chief Executive: H 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 Audit LLP
Chartered Accountants and Statutory 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)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2011

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 December 2011. The directors' report also represents the trustees' report required by Part 8 of the Charities Act 2011 and is prepared in accordance with the small companies regime (section 419(2) of the Companies Act 2006)

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 130 (2010: 133) 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, 16 February 2006 and 16 September 2010. 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 at the annual 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 usually meet six times a year. At every annual general meeting directors retiring by rotation may be re-elected.

There is a twice yearly review of the structure of the Executive Board of the Company. This involves a skills review as well as 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 DECEMBER 2011 (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 regularly to discuss activities. Volunteers are supervised by the Chief Stewards.

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.

Public Benefit

In setting the objectives and planning the activities the Directors have given careful consideration to the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future objectives. In particular, the directors consider how planned activities will contribute to the aims and objectives they have set.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2011 (CONTINUED)

OBJECTIVES AND ACTIVITIES (CONTINUED)

Activities

The uncertain economic climate in 2011 has proved not to have had a negative effect on the fortunes of our charity. Continued good housekeeping, building on the groundwork of the last few years is now reflected in an increasingly healthy surplus. Promotional activities, both through PR and active salesmanship have proved an effective way of reversing the trend of declining incomes experienced by many. Our annual round of agricultural shows and our gift-aided income from our trading subsidiary are sustaining our organisation in difficult times.

Further efforts to manage our energy costs and showcase opportunities to our visitors have been made this year, through the installation of two more renewable technologies. These helped us to move towards our medium term goal of achieving and showcasing energy independence, as rising energy prices threaten our income and that of our constituents – rural business.

Our relatively new Agricultural and Machinery Show is showing signs of growth, and this is spreading our influence across more sectors of farming. The challenge is to reduce the overhead subsidy from the charity, while continuing to allow visitors free entry to the event.

The Royal Bath and West Show demonstrated its pivotal role in the region's rural community by attracting a very healthy increase in visitor numbers. Effective PR is one of the main drivers behind this, lead effectively by our President who took an active interest in our methods.

Our National Gardening Show proved challenging this year, most probably because of the economic challenges of the sector. We remain committed to retaining and enhancing it and Society members have given a huge amount of voluntary support to it.

The Dairy Show is a jewel in our portfolio, much welcomed by farmers and the trade. This year we were proud to be able to launch the first practical demonstration of robotic milking, a relatively new technology which allows smaller farmers to survive with lower labour costs and more time to attend to the welfare needs of high yielding dairy cows. Cows can choose when to be milked (their natural behaviour) instead of adhering to the rigid regime of the parlour. This is not a panacea for the entire industry, but it is especially important for family farms, whose role in maintaining the fabric of the countryside for all to enjoy is important.

In all it was a satisfactory year, demonstrating the rewards of hard work and good house-keeping. A further important step towards the longer term aim of underpinning the Society's financial health through the development of its charitable assets was also taken during the year. A long and complex legal negotiation was conducted and concluded. A development agreement is now in force with our development partner, with whom we are working in tandem to upgrade the Society's facilities. This provides confidence that over time there will be receipts enabling significant upgrade of the core facilities, from which we derive our income and deliver our charitable activities.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2011 (CONTINUED)

FINANCIAL REVIEW

Results for the Year

The unrestricted group net incoming resources for the year were £174,190 (2010 Incoming £168,556) There were restricted group net incoming resources of £45,876 (2010 Outgoing £25,815)

The Trading Company continues to make a crucial contribution to the Society's finances with a surplus for the year of £445,343 (2010 £450,017) The results of the Trading Company after rent payable to the Society of £186,000 (2010 £180,000) are included in the group figures above

The total group net incoming resources for the year amounted to £220,066 (2010 £142,741)

Group net current assets increased from £15,498 at 31 December 2010 to £83,246 at 31 December 2011 There was an on-going investment in the infrastructure of the company with capital expenditure of £415,108 (2010 £135,782)

Reserves

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

	2011 £	2010 £
Total Group Reserves	2,094,632	1,874,566
Less Restricted Funds	(93,315)	(47,439)
Designated Funds	(33,631)	(37,880)
Fixed Assets Used for Charitable Purposes	(1,918,071)	(1,811,629)
	<hr/>	<hr/>
Surplus/(Deficit) on Free Reserves	49,615	(22,382)
	<hr/>	<hr/>

The appearance of free reserves in our accounts is a welcome sign of recovery from some of the difficulties experienced in recent years We are committed to continued growth in our free reserves to allow us to protect the delivery of our charitable objectives

Grants Payable

The Company decides each year on an allocation of monies 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

Tangible Fixed Assets

Information relating to the changes in tangible fixed assets is given in Note 9 to the financial statements Freehold land (the Showground site) is included at cost in the financial statements at £208,283 The directors consider that the market value is substantially higher but no valuation is available

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2011 (CONTINUED)

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. The following directors of The Royal Bath and West of England Society are also directors of The Bath and West Trading Co Limited

R T Calver

A R Goode (deceased 6 February 2012)

N G K Hutchen

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Annual Report of the Directors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

Company law requires the directors 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 of the incoming resources and application of resources, including income and expenditure, of the Group for that year. In preparing these financial statements the directors are required to

- select suitable accounting policies and then apply them consistently,
- observe the methods and principles in the Charities SORP,
- make judgements and estimates that are reasonable and prudent,
- state whether applicable UK 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 adequate accounting records that disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. 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

In so far as the directors are aware

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

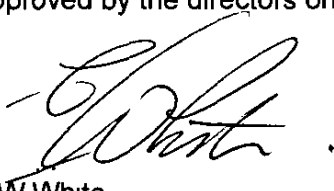
The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2011 (CONTINUED)

SMALL COMPANY PROVISIONS

This report has been prepared in accordance with the special provisions for small companies under part 15 of Companies Act 2006

Approved by the directors on 20.3.2012 and signed on their behalf by



E W White
Chairman



N G K Hutchen
Honorary Treasurer

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 DECEMBER 2011

We have audited the financial statements of The Royal Bath and West of England Society (Company Limited by Guarantee) for the year ended 31 December 2011 which comprise the consolidated statement of financial activities, the consolidated income and expenditure account, the Group and Company balance sheet and the related notes. The financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 explained more fully in the Statement of Directors' Responsibilities, the Directors (who are also the Trustees of the charitable company for the purposes of charity law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the Audit of the Financial Statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on Financial Statements

In our opinion the financial statements

- give a true and fair view of the state of the Company's and Group's affairs as at 31 December 2011 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the Companies Act 2006

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 DECEMBER 2011 (CONTINUED)

Opinion on Other Matter Prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are Required to Report by Exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us,
- the financial statements are not in agreement with the accounting records and returns,
- certain disclosures of directors' remuneration specified by law are not made,
- we have not received all the information and explanations we require for our audit, or
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the Small Companies requirements

Old Mill Audit LLP

Peter Haugh (Senior Statutory Auditor)
FOR AND ON BEHALF OF OLD MILL AUDIT LLP
Chartered Accountants and Statutory Auditor
The Old Mill
Park Road
Shepton Mallet
Somerset
BA4 5BS

22-3-12
Date

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2011

	Note	Unrestricted Funds £	Restricted Funds £	2011 £	2010 £
INCOMING RESOURCES					
Incoming Resources from Generated Funds					
Voluntary Income					
Donations		2,810	-	2,810	3,996
Grants Received		-	58,622	58,622	-
Activities for Generating Funds					
Rents		96,267	-	96,267	84,924
Trading Subsidiary Income	4	1,125,195	-	1,125,195	1,079,172
Incoming Resources from Charitable Activities	3	2,063,859	-	2,063,859	1,917,539
Other Incoming Resources					
Subscriptions		44,417	-	44,417	61,516
Gain on Disposal of Fixed Assets		2,583	-	2,583	3,250
Other Income		10,863	20,000	30,863	11,331
TOTAL INCOMING RESOURCES		3,345,994	78,622	3,424,616	3,161,728
RESOURCES EXPENDED					
Cost of Generating Funds					
Trading Subsidiary Expenditure	4	493,852	-	493,852	449,155
Charitable Activities	3,15	2,606,235	32,746	2,638,981	2,500,962
Governance Costs	6	71,717	-	71,717	68,870
TOTAL RESOURCES EXPENDED		3,171,804	32,746	3,204,550	3,018,987
NET MOVEMENT IN FUNDS FOR THE YEAR		174,190	45,876	220,066	142,741
FUNDS BROUGHT FORWARD		1,827,127	47,439	1,874,566	1,731,825
FUNDS CARRIED FORWARD		2,001,317	93,315	2,094,632	1,874,566

The notes on pages 7 to 19 form an integral part of these financial statements

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
SUMMARY CONSOLIDATED INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2011

	2011 £	2010 £
Income	3,424,616	3,161,728
Direct Costs	(1,540,338)	(1,417,513)
	<hr/>	<hr/>
Gross Surplus	1,884,278	1,744,215
Overheads		
- Support Costs	(1,592,495)	(1,532,604)
- Governance Costs	(71,717)	(68,870)
	<hr/>	<hr/>
Net Surplus for the Year	220,066	142,741
	<hr/>	<hr/>

The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 4 which, together with the Notes to the Financial Statements on pages 7 to 19, provides full information on the movement during the year on all the funds

All income and expenditure derives from continuing activities

There are no recognised gains or losses other than net income for the year shown above

The notes on pages 7 to 19 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 DECEMBER 2011

	Note	Group 2011 £	Group 2010 £	Company 2011 £	Company 2010 £
FIXED ASSETS					
Tangible Assets	9	2,011,386	1,859,068	2,011,386	1,859,068
Investments	10	-	-	2	2
		<hr/>	<hr/>	<hr/>	<hr/>
		2,011,386	1,859,068	2,011,388	1,859,070
CURRENT ASSETS					
Stock	11	31,020	28,309	31,020	28,309
Debtors	12	234,693	268,520	226,623	164,171
Cash at Bank and in Hand		328,491	297,610	288,419	249,788
		<hr/>	<hr/>	<hr/>	<hr/>
		594,204	594,439	546,062	442,268
CREDITORS: Amounts Falling Due Within One Year	13	(510,958)	(578,941)	(463,618)	(427,572)
		<hr/>	<hr/>	<hr/>	<hr/>
NET CURRENT ASSETS		83,246	15,498	82,444	14,696
		<hr/>	<hr/>	<hr/>	<hr/>
NET ASSETS		2,094,632	1,874,566	2,093,832	1,873,766
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THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED AND COMPANY BALANCE SHEETS
AS AT 31 DECEMBER 2011 (CONTINUED)

	Note	Group 2011 £	Group 2010 £	Company 2011 £	Company 2010 £
FUNDS					
Unrestricted Funds					
General Funds	15	1,966,886	1,788,447	1,966,886	1,788,447
Non Charitable Trading Funds	15	800	800	-	-
Designated Funds	15	33,631	37,880	33,631	37,880
		<hr/>	<hr/>	<hr/>	<hr/>
		2,001,317	1,827,127	2,000,517	1,826,327
Restricted Funds					
	16	93,315	47,439	93,315	47,439
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS		2,094,632	1,874,566	2,093,832	1,873,766
		<hr/>	<hr/>	<hr/>	<hr/>

These financial statements have been prepared in accordance with the special provisions for small companies under part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the directors on 20 3 2012 and signed on their behalf by


E W White
Chairman


N G K Hutchen
Honorary Treasurer

Company Registration Number 02931640

The notes on pages 7 to 19 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 DECEMBER 2011

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 130 (2010: 133) 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 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), Accounting and Reporting by Charities: Statement of Recommended Practice (SORP 2005), the Charities Act 2011 and the Companies Act 2006. The principal accounting policies which have been adopted on a consistent basis within that convention are set out below.

No separate statement of financial activities has been presented for the Company alone as permitted by Section 408 of the Companies Act 2006 and paragraph 397 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.

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 in accounting terms 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 DECEMBER 2011 (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 period 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 period were as follows -

Showground Buildings and Improvements	2% - 10%
Plant, Implements, Furniture and Fixtures	10% - 25%
Motor Vehicles	25%

No depreciation is provided on freehold land.

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

Stocks

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

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011 (CONTINUED)

2. ACCOUNTING POLICIES (CONTINUED)

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 particular purposes.

The non-charitable trading funds are the funds of the subsidiary company, The Bath and West Trading Co 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 spent 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 DECEMBER 2011 (CONTINUED)

3. ANALYSIS OF ACTIVITIES

	2011				2010					
	Income £'000	Direct Costs £'000	Contribution £'000	Indirect Costs £'000	Surplus/ (Deficit) £'000	Income £'000	Direct Costs £'000	Contribution £'000	Indirect Costs £'000	Surplus/ (Deficit) £'000
Charitable Activities										
Unrestricted/Designated										
Main Show	1,684	(965)	719	(1,083)	(364)	1,521	(929)	592	(1,022)	(430)
Other Shows	380	(287)	93	(245)	(152)	377	(248)	129	(253)	(124)
Agricultural Advisory	-	-	-	-	-	4	(3)	1	(3)	(2)
Development Project	20	(20)	-	(1)	(1)	-	-	-	(3)	(3)
Education	-	(25)	(25)	-	(25)	16	(14)	2	-	2
Other Charitable Activities	216	-	216	(72)	144	165	-	165	(69)	96
Other Activities	-	-	-	(13)	(13)	-	-	-	(26)	(26)
Total Charitable Activities	2,300	(1,297)	1,003	(1,414)	(411)	2,083	(1,194)	889	(1,376)	(487)
Other Activities										
Trading Subsidiary (Note 4)	1,125	(244)	881	(250)	631	1,079	(224)	855	(225)	630
Total	3,425	(1,541)	1,884	(1,664)	220	3,162	(1,418)	1,744	(1,601)	143

The total Charitable Activities indirect costs shown above of £1,414,000 (2010 £1,376,000) comprise support and governance costs as per notes 5 and 6

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4. TRADING SUBSIDIARY

The Company has a wholly owned trading subsidiary, The Bath and West Trading Co Limited (Registered Company Number 02891950), which was incorporated in England. The Bath and West Trading Co Limited carries on the non primary charitable purpose trading activities namely the commercial letting of the showground site and provision of catering services. Financial statements have been filed with the Registrar of Companies.

A summary of its results is shown below

	2011	2010
	£	£
Turnover	1,125,195	1,079,172
Cost of Sales	(244,072)	(223,718)
	<hr/>	<hr/>
Gross Profit	881,123	855,454
Administrative Expenses (excluding rents payable to parent company)	(249,780)	(225,437)
Interest Receivable	-	-
	<hr/>	<hr/>
Profit on Ordinary Activities Before Rent	631,343	630,017
Rent Due to the Royal Bath and West of England Society (eliminated on consolidation)	(186,000)	(180,000)
	<hr/>	<hr/>
Profit Donated to Parent Company by Gift Aid	445,343	450,017
	<hr/>	<hr/>
The aggregate of the assets, liabilities and funds were		
Assets	104,847	208,769
Liabilities	(104,045)	(207,967)
	<hr/>	<hr/>
	802	802
	<hr/>	<hr/>

Funds represent 2 ordinary shares of £1 each (2010: 2 ordinary shares of £1 each) and the balance on the profit and loss account of £800 (2010: £800).

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
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5. SUPPORT COSTS	2011 £	2010 £
Wages and Salaries	502,422	473,163
Health Care Costs	10,237	10,254
Rates, Insurance and Power	124,471	155,615
Repairs and Planned Maintenance	240,063	177,440
Postage, Printing and Stationery and Telephone	55,815	54,618
Travel, Transport and Subsistence	39,606	36,938
Training and Health and Safety	11,759	18,233
Depreciation	262,790	244,268
Operating Lease Rentals	17,262	23,702
Hire Purchase Interest	224	529
Loan Interest	-	1,634
Bank Interest	-	1,063
Bad Debts	225	(399)
Bank and Credit Card Charges	13,239	13,839
Consultancy, Professional and Accreditation	24,431	35,059
Computer Consultancy and Software	18,413	22,751
Staff Recruitment	-	3,366
Showground Security	7,574	9,034
Affiliations and Donations	4,925	3,654
Academic Associate	-	8,027
Marketing	5,259	6,756
Development Cost	676	3,269
Miscellaneous	3,324	4,354
	<hr/>	<hr/>
	1,342,715	1,307,167
	<hr/>	<hr/>
6. GOVERNANCE COSTS	2011 £	2010 £
Wages and Salaries	60,921	58,196
Office Costs	3,176	3,054
Audit	7,620	7,620
	<hr/>	<hr/>
	71,717	68,870
	<hr/>	<hr/>

Included within Support Costs are fees payable to the auditor in respect of other services of £nil (2010 £390)

In addition included within the administrative expenses of the trading subsidiary as disclosed in Note 4 are audit fees of £4,910 (2010 £4,910) and other fees of £255 (2010 £105) payable to the auditor

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7. STAFF COSTS

	Group 2011 £	Group 2010 £	Company 2011 £	Company 2010 £
Wages and Salaries	575,545	541,878	484,436	460,878
Employer's National Insurance	58,949	54,755	48,949	46,755
Pension Costs	39,602	34,148	37,101	32,197
	<hr/>	<hr/>	<hr/>	<hr/>
	674,096	630,781	570,486	539,830
	<hr/>	<hr/>	<hr/>	<hr/>

In addition to amounts shown in notes 5 and 6 above for wages and salaries are amounts of £103,609 (2010 £90,950) included in The Bath and West Trading Company Limited and £7,144 (2010 £8,472) included in direct costs in note 3

The average number of employees was

	Group 2011 £	Group 2010 £	Company 2011 £	Company 2010 £
Cost of Generating Funds	3	3	-	-
Charitable Activities	19	17	19	17
Governance Costs	1	1	1	1
	<hr/>	<hr/>	<hr/>	<hr/>
	23	21	20	18
	<hr/>	<hr/>	<hr/>	<hr/>

One member of staff had emoluments, excluding pension contributions, within the band £90,001 - £100,000 (2010 one in the band £90,001 to £100,000) The contributions for the provision of retirement benefits under a money purchase pension scheme for staff within this band were £17,221 (2010 £15,480)

No remuneration was paid to the directors (2010 £Nil)

No directors (2010 two) were paid (2010 £185) for reimbursed travel expenses incurred on Company business

8. TAXATION STATUS

The Company is exempt from taxation due to its charitable status

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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9. TANGIBLE FIXED ASSETS

GROUP AND COMPANY

	Freehold Land	Freehold Showground Buildings & Improvements	Plant, Implements, Furniture & Fixtures	Motor Vehicles	Total
	£	£	£	£	£
COST					
As at 1 January 2011	208,283	4,291,672	503,784	16,500	5,020,239
Additions	-	367,445	47,663	-	415,108
Disposals	-	-	(24,535)	(2,500)	(27,035)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 December 2011	208,823	4,659,117	526,912	14,000	5,408,312
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION					
As at 1 January 2011	-	2,769,097	375,574	16,500	3,161,171
Eliminated on Disposal	-	-	(24,535)	(2,500)	(27,035)
Charge for the Year	-	203,771	59,019	-	262,790
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 December 2011	-	2,972,868	410,058	14,000	3,396,926
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE					
As at 31 December 2011	208,823	1,686,249	116,854	-	2,011,386
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 December 2010	208,283	1,522,575	128,210	-	1,859,068
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The net book value at 31 December 2011 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 £608,000 (2010 £406,453). The Company also has a specialist library which is held at Bath University and is valued in the region of £85,490 (2010 £85,490).

Included within the net book value of £2,011,386 is £nil (2010 £7,000) relating to assets under hire purchase agreements. The depreciation charged to the financial statements in the year in respect of such assets amounts to £7,000 (2010 £7,000).

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FOR THE YEAR ENDED 31 DECEMBER 2011 (CONTINUED)

10. FIXED ASSET INVESTMENTS

COMPANY

The investment held by the Company is a £2 (2010 £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 03039130). 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.

11. STOCKS

	Group 2011 £	Group 2010 £	Company 2011 £	Company 2010 £
Consumables	31,020	28,309	31,020	28,309
	<hr/>	<hr/>	<hr/>	<hr/>

12. DEBTORS

	Group 2011 £	Group 2010 £	Company 2011 £	Company 2010 £
Trade Debtors	151,456	207,515	88,434	52,971
Amounts Due from Group Undertakings	-	-	57,593	56,595
Other Debtors	21,696	27	20,805	27
Prepayments and Accrued Income	61,541	60,978	59,791	54,578
	<hr/>	<hr/>	<hr/>	<hr/>
	234,693	268,520	226,623	164,171
	<hr/>	<hr/>	<hr/>	<hr/>

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
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FOR THE YEAR ENDED 31 DECEMBER 2011 (CONTINUED)

13. CREDITORS: Amounts falling due within one year

	Group 2011 £	Group 2010 £	Company 2011 £	Company 2010 £
Trade Creditors	107,171	76,651	106,776	76,437
Other Creditors	1,050	-	1,050	-
Other Taxation and Social Security	14,916	93,010	14,916	74,418
Hire Purchase Agreements	-	1,556	-	1,556
Accruals	70,333	42,330	65,167	37,314
Deferred Income (Note 15)	317,488	365,394	275,709	237,847
	<hr/>	<hr/>	<hr/>	<hr/>
	510,958	578,941	463,618	427,572
	<hr/>	<hr/>	<hr/>	<hr/>

14. DEFERRED INCOME

	Group 2011 £	Group 2010 £	Company 2011 £	Company 2010 £
Balance Brought Forward	365,394	347,251	237,847	220,737
Subscriptions and Trade Stands Income Received	797,842	767,521	797,842	767,521
Released to Statement of Financial Activities	(845,748)	(749,378)	(759,980)	(750,411)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance Carried Forward	317,488	365,394	275,709	237,847
	<hr/>	<hr/>	<hr/>	<hr/>

Deferred income will be applied as follows

	Group 2011 £	Group 2010 £	Company 2011 £	Company 2010 £
Within 1 year	317,488	365,394	275,709	237,847
	<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 DECEMBER 2011 (CONTINUED)

15. STATEMENT OF FUNDS

GROUP	As at 1 January 2011 £	Income £	Expenditure £	Transfers £	As at 31 December 2011 £
Unrestricted Funds					
General Funds	1,788,447	2,216,049	(2,648,953)	611,343	1,966,886
Non Charitable Trading Funds	800	1,125,195	(493,852)	(631,343)	800
Designated Funds					
Bath and West Grants	31,580	-	(24,699)	20,000	26,881
Cheese Sales	6,300	4,750	(4,300)	-	6,750
Total Unrestricted Funds	1,827,127	3,345,994	(3,171,804)	-	2,001,317
Restricted Funds					
Edmund Rack Pavilion Heating System	47,439	-	(9,815)	-	37,624
Showering Pavilion Heating System	-	58,622	(2,931)	-	55,691
Development Project	-	20,000	(20,000)	-	-
Total Restricted Funds	47,439	78,622	(32,746)	-	93,315
Total Funds	1,874,566	3,424,616	(3,204,550)	-	2,094,632

Designated Funds**Bath and West Grants**

During the period £20,000 was designated to this fund (2010 £10,000) The fund provides support for projects carried on by third parties which are identified as coming within the Company's charitable objectives

Cheese Sales

The funds received from Cheese Sales at the Main Show have been designated by the Dairy Produce Committee for charitable giving during the coming year

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011 (CONTINUED)

15. STATEMENT OF FUNDS (CONTINUED)

Restricted Funds

Edmund Rack Pavilion Heating System and Showering Pavilion Heating System

Grants were received to assist towards the costs of sustainable energy heating systems in the Edmund Rack Pavilion and the Showerings Pavilion. The balances on these funds represent future depreciation to be written off over the life of the assets.

Development Project

A contribution was received towards legal fees for drafting the Development Agreement.

COMPANY

For the purpose of section 408 of the Companies Act 2006, the net movement of funds for the Company is a surplus of £220,066 (2010 Surplus, £142,741). Total funds brought forward were £1,873,766 (2010 £1,731,025). Total funds carried forward were £2,093,832 (2010 £1,831,766).

16. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	General Funds £	Designated Funds £	Restricted Funds £	Total £
Fund balances at 31 December 2011 are represented by				
Tangible Fixed Assets	1,918,071	-	93,315	2,011,386
Other Assets	49,615	33,631	-	83,246
	<hr/>	<hr/>	<hr/>	<hr/>
	1,967,686	33,631	93,315	2,094,632
	<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.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2011 (CONTINUED)

17. FINANCIAL COMMITMENTS

Financial

As at 31 December 2011 the group had £40,000 authorised and contracted financial commitments (2010 £Nil) to be spent in the year ended 31 December 2012

Obligations under Non-cancellable Leases

As at 31 December 2011 the group had annual commitments under non-cancellable leases for land and equipment as follows

	2011	2010
	£	£
Expiry Date		
Within 1 year	7,000	9,574
2 to 5 years	12,886	8,846
	<hr/>	<hr/>
	19,886	18,420
	<hr/>	<hr/>