

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 2013

TUESDAY



A36DJO83

A24

22/04/2014

#117

COMPANIES HOUSE

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013

CONTENTS	PAGE
Reference and Administrative Information	1
Annual Report of the Directors	2 - 8
Independent Auditor's Report to the Members	9 - 10
Consolidated Statement of Financial Activities	11
Summary Consolidated Income and Expenditure Account	12
Consolidated and Company Balance Sheets	13 - 14
Notes to the Consolidated Financial Statements	15 - 27

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
REFERENCE AND ADMINISTRATIVE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2013

COMPANY INFORMATION

Charity Number: 1039397

Company Number: 02931640

Directors: J Alvis MBE – Vice Chairman
R W Ash
R T Calver
Lord Cameron of Dillington DL
R N F Drewett DL – Chairman
M Felton
A Gibson OBE
N G K Hutchen – Honorary Treasurer
Miss E Matheson of Matheson, DL
Mrs A C Maw
E W White (Resigned 15 January 2013)
Mrs A B Yeoman OBE DL

Chief Executive: H J Guise

Company Secretary: N G K Hutchen

Registered Office: The Showground
Shepton Mallet
Somerset
BA4 6QN

Auditor: Old Mill Audit LLP
Chartered Accountants and Statutory Auditor
Bishopbrook House
Cathedral Avenue
Wells
Somerset
BA5 1FD

Bankers: Handelsbanken
40 Queen 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 DECEMBER 2013

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 2013. 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 134 (2012: 130) 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 four times a year. At every annual general meeting directors retiring by rotation may be re-elected.

There is a regular 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 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 2013 (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,
- Education of a wider audience about the ways of the countryside and encouraging farmers to understand the importance of their neighbours as consumers,
- Identifying projects through the Agricultural Policy group,
- 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 as set out above 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 2013 (CONTINUED)

OBJECTIVES AND ACTIVITIES (CONTINUED)

Activities

2013 was the year in which the Society celebrated its 150th show – founded in 1777 as a vehicle to improve the take up of technology in farming it first developed its agricultural showcases some 75 years later. It was also a year in which the Society's finances returned to a surplus after a difficult year in 2012. While the wider economy continued to provide commercial challenges, a small surplus was achieved. It was felt important to promote the Society's enduring support for all matters rural, further embedding its place in agribusiness.

Visitor numbers to all our agricultural showcases were strong, and the increasing use of new media increased the reach of our efforts. Active participation in Facebook, twitter and flickr are all targeted at a younger market and the Next Generation youth group is developing its membership and holding events specifically aimed at encouraging them to participate in the activities of their Society. Educational activities at the Bath and West Show are enhanced by the Children's trail, a passport system which encourages visits to specific areas where volunteers are providing teaching about food, farming and the countryside. This is a competitive activity which sponsorship was able to incentivise by the provision of an i-pad as first prize.

The Bath and West Show is proud to be the new home for the British Cheese awards, much enhancing the Dairy Produce section of the show. The British Cheese awards are extremely high profile and focused on the speciality cheese sector, bringing added range and quality to our efforts to promote the dairy sector.

Streamlining of processes necessary to run exhibitions has been a key theme for some years, freeing up administrative time to pursue other projects. In 2012/13 some visitor entry systems became electronic, with the added benefit of heightened security through visitor identification.

A review of the Society's corporate governance has led to some changes in the way our organisation is managed. Agricultural showcases will in future be operated via a subsidiary company, and all commercial activities will be ring-fenced in the re-named Trading Company, now called Bath and West Enterprises Ltd. The Society will grant-aid the agricultural exhibitions for their educational efforts, and all proceeds from commerce will be gift-aided to the Society to enable it to pursue its aims. This new structure helps transparency both in management and budgeting. Importantly it also enables the right people to be placed in the environment most suited to their skills – both at staff and Director level. Considerable time and effort was given to debating and installing these changes, and new skills have been added to the Boards of both subsidiary companies.

Making the best use of our assets is a responsibility we take seriously, and development of the showground site occupies significant energy. While the main 100 acre project has yet to commence, the commercial property market having been in recession for some time, progress has been made towards energy self-sufficiency through a medium scale wind project.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

OBJECTIVES AND ACTIVITIES (CONTINUED)

Activities (Continued)

In pursuit of our new approach to encouraging the transfer of knowledge, study tours were conducted to the farms of three Society members and officials. These well-attended days prove the value of the new approach, and studies included horticultural tourism, self-help for those in the dairy industry whose livelihoods were affected by TB, hydropower installations at farm level, succession planning, artisan cheese making and renewable energy opportunities for farmers and landowners.

The Society is also an active participant in a country wide Knowledge Transfer project, which brings all agricultural societies together to provide a network to underpin the Government's ambition to encourage technological improvements in food and farming – known as the Agritech strategy. As founder members of a new charity called Innovation for Agriculture it is hoped that the Society's leadership will result in a step change in the speed and efficiency with which research results are taken up by industry.

The Society is made up of people with a wealth of knowledge about agriculture, and a new initiative to make good use of this has been to form an Agricultural Policy group to help address issues which challenge those who live and work in the rural community. Brainstorming to help focus ideas concluded that there were some subjects which were already high profile and political, and these were not suitable for the Society's attention. As a result of a study tour water management on the Somerset levels was chosen as the first focus for the work of this group. Remedial works are needed to ensure that farmland on the levels drains appropriately, to relieve the hardship for all those farming and living in that area where recent high rainfall has led to serious and prolonged flooding of land and roads. The project was started in December and is going well. Our aim is to raise between £2 million and £3 million by the end of 2014. Members of the Royal Bath & West of England Society have made contributions to get the fund started, and professional fund-raisers engaged to bring in the financial target which is required to achieve the Society's vision of a prosperous landscape for all. It is intended to be the first of many initiatives where the Society can use its influence to good effect.

FINANCIAL REVIEW

Results for the Year

The unrestricted group net incoming resources for the year were £40,673 (2012: Outgoing £155,084). There were restricted group net outgoing resources of £13,636 (2012: Outgoing £21,730).

Bath & West Enterprises Limited continues to make a crucial contribution to the Society's finances with a surplus for the year of £416,630 (2012: £419,048). The results of Bath & West Enterprises Limited after rent payable to the Society of £200,000 (2012: £195,000) are included in the group figures above.

The total group net incoming resources for the year amounted to £27,037 (2012: Outgoing £176,814).

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

FINANCIAL REVIEW (CONTINUED)

Results for the Year (Continued)

Group net current liabilities decreased from £108,822 at 31 December 2012 to net liabilities of £14,727 at 31 December 2013. There was an on-going investment in the infrastructure of the company with capital expenditure of £226,600 (2012: £290,752).

Reserves

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

	2013 £	2012 £
Total Group Reserves	1,944,855	1,917,818
Less: Restricted Funds	(57,949)	(71,585)
Designated Funds	(12,616)	(14,193)
Fixed Assets Used for Charitable Purposes	(1,907,695)	(1,963,055)
	<hr/>	<hr/>
Deficit on Free Reserves	(33,405)	(131,015)
	<hr/>	<hr/>

After successfully building reserves in recent years the results reported in 2012 impacted adversely on this trend. It was expected that 2013 was likely to continue to show a deficit on Free Reserves. However, the directors are committed to building adequate reserves 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.

RELATED PARTIES

The Company owns 100% of the share capital of Bath and West Enterprises 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 Bath and West Enterprises Limited:

R Ash (Appointed 1 March 2013)	N G K Hutchen
R T Calver	Mrs A B Yeoman (Appointed 1 March 2013)
M J Felton (Appointed 1 March 2013)	R N F Drewett (Appointed 1 May 2013)

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors (who are also the trustees of the charitable company for the purposes of charity law) 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 the 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 auditors are 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.

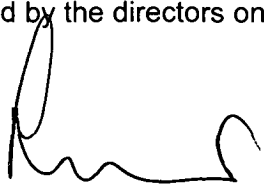
The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2013 (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 4.3.14 and signed on their behalf by:



.....
R N F Drewett
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 2013

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 2013 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 reporting framework that has been applied in their preparation is applicable law 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 Charitable Company's and Group's affairs as at 31 December 2013 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 2013 (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

Tim Lerwill (Senior Statutory Auditor)
FOR AND ON BEHALF OF OLD MILL AUDIT LLP
Chartered Accountants and Statutory Auditor
Bishopbrook House
Cathedral Avenue
Wells
Somerset
BA5 1FD

..... 19/3/2014
Date

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 DECEMBER 2013

	Note	Unrestricted Funds £	Restricted Funds £	2013 £	2012 £
INCOMING RESOURCES					
Incoming Resources from Generated Funds					
Voluntary Income					
Donations		2,710	62	2,772	20,546
Grants Received		-	-	-	(8,678)
Activities for Generating Funds					
Rents		92,845	-	92,845	91,943
Trading Subsidiary Income	4	1,126,308	-	1,126,308	1,170,703
Bank Interest Received		805	-	805	1
Incoming Resources from Charitable Activities		1,899,298	-	1,899,298	2,030,541
Other Incoming Resources					
Subscriptions		42,614	-	42,614	49,082
Gain on Disposal of Fixed Assets		6,500	-	6,500	-
Other Income		46,840	-	46,840	29,385
TOTAL INCOMING RESOURCES	3	3,217,920	62	3,217,982	3,383,523
RESOURCES EXPENDED					
Cost of Generating Funds					
Trading Subsidiary Expenditure	4	509,889	-	509,889	556,656
Charitable Activities	15	2,592,762	13,698	2,606,460	2,926,653
Governance Costs	6	74,596	-	74,596	77,028
TOTAL RESOURCES EXPENDED		3,177,247	13,698	3,190,945	3,560,337
NET MOVEMENT IN FUNDS FOR THE YEAR		40,673	(13,636)	27,037	(176,814)
FUNDS BROUGHT FORWARD		1,846,233	71,585	1,917,818	2,094,632
FUNDS CARRIED FORWARD		1,886,906	57,949	1,944,855	1,917,818

The notes on pages 15 to 27 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 2013

	2013 £	2012 £
Income	3,217,982	3,383,523
Direct Costs	(1,466,331)	(1,824,994)
	<hr/>	<hr/>
Gross Surplus	1,751,651	1,558,529
Overheads		
- Support Costs	(1,651,868)	(1,658,315)
- Governance Costs	(72,746)	(77,028)
	<hr/>	<hr/>
Net Surplus/(Deficit) for the Year	27,037	(176,814)
	<hr/>	<hr/>

The Summary Income and Expenditure Account is derived from the Statement of Financial Activities on page 11 which, together with the Notes to the Financial Statements on pages 15 to 27, 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 15 to 27 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 2013

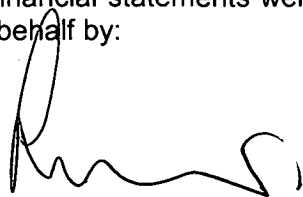
	Note	Group 2013 £	Group 2012 £	Company 2013 £	Company 2012 £
FIXED ASSETS					
Tangible Assets	9	1,959,582	2,026,640	1,959,582	2,026,640
Investments	10	-	-	5	2
		<hr/>	<hr/>	<hr/>	<hr/>
		1,959,582	2,026,640	1,959,587	2,026,642
CURRENT ASSETS					
Stock	11	27,600	24,217	27,600	24,217
Debtors	12	157,840	271,469	80,628	259,674
Cash at Bank and in Hand		201,191	123,138	119,313	93,601
		<hr/>	<hr/>	<hr/>	<hr/>
		386,631	418,824	227,541	377,492
CREDITORS: Amounts Falling Due Within One Year					
	13	(401,358)	(527,646)	(243,073)	(487,116)
		<hr/>	<hr/>	<hr/>	<hr/>
NET CURRENT LIABILITIES		(14,727)	(108,822)	(15,532)	(109,624)
		<hr/>	<hr/>	<hr/>	<hr/>
NET ASSETS		1,944,855	1,917,818	1,944,055	1,917,018
		<hr/>	<hr/>	<hr/>	<hr/>

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED AND COMPANY BALANCE SHEETS
AS AT 31 DECEMBER 2013 (CONTINUED)


	Note	Group 2013 £	Group 2012 £	Company 2013 £	Company 2012 £
FUNDS					
Unrestricted Funds					
General Funds	15	1,873,490	1,831,240	1,873,490	1,831,240
Non Charitable Trading Funds	15	800	800	-	-
Designated Funds	15	12,616	14,193	12,616	14,193
		<hr/>	<hr/>	<hr/>	<hr/>
		1,886,906	1,846,233	1,886,106	1,845,433
Restricted Funds					
	16	57,949	71,585	57,949	71,585
		<hr/>	<hr/>	<hr/>	<hr/>
TOTAL FUNDS		1,944,855	1,917,818	1,944,055	1,917,018
		<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 4.3.14 and signed on their behalf by:



 R N F Drewett
 Chairman



 N G K Hutchen
 Honorary Treasurer

Company Registration Number: 02931640

The notes on pages 15 to 27 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 2013

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 134 (2012: 130) 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, Bath & West Enterprises 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, Bath & West Enterprises 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 2013 (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	20% - 25%
Motor Vehicles	25%

No depreciation is provided on freehold land.

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 2013 (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, Bath & West Enterprises 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 2013 (CONTINUED)

3. ANALYSIS OF ACTIVITIES

	2013					2012				
	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	1,580	(1,073)	507	(1,132)	(625)	1,424	(1,126)	298	(970)	(672)
Other Shows	316	(144)	172	(227)	(55)	601	(358)	243	(411)	(168)
Education	-	(12)	(12)	-	(12)	-	(36)	(36)	-	(36)
Other Charitable										
Activities	195	(4)	191	(75)	116	196	-	196	(77)	119
Other Activities	-	-	-	(14)	(14)	(8)	(13)	(21)	(13)	(34)
Total Charitable Activities	2,091	(1,233)	858	(1,448)	(590)	2,213	(1,533)	680	(1,471)	(791)
Other Activities										
Trading Subsidiary (Note 4)	1,127	(233)	894	(277)	617	1,170	(292)	878	(264)	614
Total	3,218	(1,466)	1,752	(1,725)	27	3,383	(1,825)	1,558	(1,735)	(177)

The total Charitable Activities indirect costs shown above of £1,448,000 (2012: £1,471,000) comprise support and governance costs as per notes 5 and 6.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

4. TRADING SUBSIDIARIES

Bath & West Enterprises Limited

The Company has a wholly owned trading subsidiary, Bath & West Enterprises Limited (Registered Company Number 02891950), which was incorporated in England. On 2 September 2013 the company changed its name from The Bath & West Trading Co. Limited. Bath & West Enterprises 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:

	2013	2012
	£	£
Turnover	1,126,308	1,170,703
Cost of Sales	(232,563)	(292,435)
	<hr/>	<hr/>
Gross Profit	893,745	878,268
Administrative Expenses (excluding rents payable to parent company)	(277,325)	(264,221)
Interest Receivable	210	1
	<hr/>	<hr/>
Profit on Ordinary Activities Before Rent	616,630	614,048
Rent Due to the Royal Bath and West of England Society (eliminated on consolidation)	(200,000)	(195,000)
	<hr/>	<hr/>
Profit Donated to Parent Company by Gift Aid	416,630	419,048
	<hr/>	<hr/>
The aggregate of the assets, liabilities and funds were:		
Assets	249,703	108,410
Liabilities	248,901	107,608
	<hr/>	<hr/>
	802	802
	<hr/>	<hr/>

Funds represent 2 ordinary shares of £1 each (2012: 2 ordinary shares of £1 each) and the balance on the profit and loss account of £800 (2012: £800).

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

4. TRADING SUBSIDIARIES (CONTINUED)

Bath and West Shows Limited

The Company has a wholly owned trading subsidiary, Bath and West Shows Limited (Registered Company Number 08680261), which was incorporated in England on 6 September 2013. Bath and West Shows Limited was dormant in the period from incorporation to 31 December 2013.

Funds represent 3 ordinary shares of £1 each.

5. SUPPORT COSTS

	2013	2012
	£	£
Wages and Salaries	499,596	499,450
Health Care Costs	13,410	12,714
Rates, Insurance and Power	168,896	195,435
Repairs and Planned Maintenance	215,844	201,153
Postage, Printing and Stationery and Telephone	44,546	49,787
Travel, Transport and Subsistence	29,772	35,961
Training and Health and Safety	11,738	18,472
Depreciation	293,658	275,498
Operating Lease Rentals	9,993	17,174
Bank and Credit Card Charges	11,741	12,941
Consultancy, Professional and Accreditation	33,216	34,718
Computer Consultancy and Software	15,069	20,857
Staff Recruitment	4,666	-
Showground Security	10,269	9,105
Affiliations and Donations	3,175	2,909
Marketing	4,658	5,225
Miscellaneous	2,445	2,695
	<hr/>	<hr/>
	1,372,692	1,394,094
	<hr/>	<hr/>

6. GOVERNANCE COSTS

	2013	2012
	£	£
Wages and Salaries	61,547	60,927
Office Costs	3,369	3,271
Audit	7,830	7,830
Professional Fees	1,850	5,000
	<hr/>	<hr/>
	74,596	77,028
	<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 2013 (CONTINUED)

6. GOVERNANCE COSTS (CONTINUED)

Included within Professional Fees are fees payable to the auditor in respect of other services of £1,850 (2012: £5,000).

In addition included within the administrative expenses of Bath & West Enterprises Limited as disclosed in Note 4 are audit fees of £5,060 (2012: £5,060) and other fees of £160 (2012: £265) payable to the auditor.

7. STAFF COSTS

	Group 2013 £	Group 2012 £	Company 2013 £	Company 2012 £
Wages and Salaries	616,106	597,770	486,632	491,697
Employer's National Insurance	60,271	59,527	52,273	51,516
Pension Costs	29,226	28,621	27,664	26,047
	<hr/>	<hr/>	<hr/>	<hr/>
	705,603	685,918	566,569	569,260
	<hr/>	<hr/>	<hr/>	<hr/>

In addition to amounts shown in notes 5 and 6 above for wages and salaries are amounts of £139,034 (2012: £116,656) included in Bath & West Enterprises Limited and £5,426 (2012: £8,885) included in direct costs in note 3.

The average number of employees was:

	Group 2013 £	Group 2012 £	Company 2013 £	Company 2012 £
Cost of Generating Funds	3	3	3	-
Charitable Activities	19	19	19	19
Governance Costs	1	1	1	1
	<hr/>	<hr/>	<hr/>	<hr/>
	23	23	23	20
	<hr/>	<hr/>	<hr/>	<hr/>

One member of staff had emoluments, excluding pension contributions, within the band £100,001 - £110,000 (2012: one in the band £100,001 to £110,000). The contributions for the provision of retirement benefits under a money purchase pension scheme for staff within this band were £10,005 (2012: £10,005).

No remuneration was paid to the directors (2012: £Nil) and no expenses have been reimbursed (2012: £Nil).

8. TAXATION STATUS

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

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

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 2012	208,283	4,815,020	651,551	24,210	5,699,064
Additions	-	184,769	34,081	7,750	226,600
Disposals	-	-	(38,479)	-	(38,479)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 December 2013	208,283	4,999,789	647,153	31,960	5,887,185
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION					
As at 1 January 2012	-	3,189,036	466,835	16,553	3,672,424
Charge for the Year	-	229,754	59,414	4,490	293,658
Disposals	-	-	(38,479)	-	(38,479)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 December 2013	-	3,418,790	487,770	21,043	3,927,603
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE					
As at 31 December 2013	208,283	1,580,999	159,383	10,917	1,959,582
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 December 2012	208,283	1,625,984	184,716	7,657	2,026,640
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The net book value at 31 December 2013 represents fixed assets used entirely for charitable purposes.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

10. FIXED ASSET INVESTMENTS**COMPANY**

The investments held by the Company are a £5 (2012: £2) investments in the subsidiary companies at cost (see note 4).

SUBSIDIARY COMPANY

Bath & West Enterprises 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 2013 £	Group 2012 £	Company 2013 £	Company 2012 £
Consumables	27,600	24,217	27,600	24,217

12. DEBTORS

	Group 2013 £	Group 2012 £	Company 2013 £	Company 2012 £
Trade Debtors	93,963	203,689	21,364	137,251
Amounts Due from Group Undertakings	-	-	-	67,076
Other Debtors	891	10,719	891	287
Prepayments and Accrued Income	62,986	57,061	58,373	55,060
	157,840	271,469	80,628	259,674

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

13. CREDITORS: Amounts falling due within one year

	Group 2013 £	Group 2012 £	Company 2013 £	Company 2012 £
Trade Creditors	56,551	95,954	56,551	93,708
Amounts due to Group Undertakings	-	-	90,610	-
Other Creditors	2,791	-	-	-
Other Taxation and Social Security	49,726	71,768	16,615	71,768
Accruals	47,075	60,452	39,994	55,126
Deferred Income (Note 14)	245,215	299,472	39,303	266,514
	<hr/>	<hr/>	<hr/>	<hr/>
	401,358	527,646	243,073	487,116
	<hr/>	<hr/>	<hr/>	<hr/>

14. DEFERRED INCOME

	Group 2013 £	Group 2012 £	Company 2013 £	Company 2012 £
Balance Brought Forward	299,472	317,488	266,514	275,709
Trade Stand Income Received	905,561	879,732	699,948	879,732
Released to Statement of Financial Activities	(959,818)	(897,748)	(927,159)	(888,927)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance Carried Forward	245,215	299,472	39,303	266,514
	<hr/>	<hr/>	<hr/>	<hr/>

Deferred income will be applied as follows:

	Group 2013 £	Group 2012 £	Company 2013 £	Company 2012 £
Within 1 year	245,215	299,472	39,303	266,514
	<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 2013 (CONTINUED)

15. STATEMENT OF FUNDS

GROUP	As at 1 January 2013 £	Income £	Expenditure £	Transfers £	As at 31 December 2013 £
Unrestricted Funds:					
General Funds	1,831,240	2,088,402	(2,652,781)	606,629	1,873,490
Non Charitable Trading Funds	800	1,126,518	(509,889)	(616,629)	800
Designated Funds:					
Bath and West Grants	10,770	-	(11,577)	10,000	9,193
Cheese Sales	3,423	3,000	(3,000)	-	3,423
Total Unrestricted Funds	1,846,233	3,217,920	(3,177,247)	-	1,886,906
Restricted Funds:					
Edmund Rack Pavilion Heating System	27,809	-	(9,815)	-	17,994
Showering Pavilion Heating System	35,776	-	(1,883)	-	33,893
The Michael Wheatland Memorial Trust	8,000	-	(2,000)	-	6,000
The Somerset Levels Relief Fund	-	62	-	-	62
Total Restricted Funds	71,585	62	(13,698)	-	57,949
Total Funds	1,917,818	3,217,982	(3,190,945)	-	1,944,855

Designated Funds**Bath and West Grants**

During the period £10,000 was designated to this fund (2012: £20,000). 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.

THE ROYAL BATH AND WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (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.

The Michael Wheatland Memorial Trust

A grant was received towards the running of the Farm Safety Zone at the annual Royal Bath and West Show following the winding up of the trust.

The Somerset Levels Relief Fund

In 2013 The Royal Bath & West of England Society identified the flooding risk on the Somerset Levels. A self-help fund has been established with its own bank account and restricted fund within the Society accounts to raise money for water management of the Somerset Levels.

COMPANY

For the purpose of section 408 of the Companies Act 2006, the net movement of funds for the Company is a surplus of £27,037 (2012: Deficit, £176,814). Total funds brought forward were £1,917,018 (2012: £2,093,832). Total funds carried forward were £1,944,055 (2012: £1,917,018).

16. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	General Funds £	Designated Funds £	Restricted Funds £	Total £
Fund balances at 31 December 2013 are represented by:				
Tangible Fixed Assets	1,907,695	-	51,887	1,959,582
Other Assets	(33,405)	12,616	6,062	(14,727)
	<hr/>	<hr/>	<hr/>	<hr/>
	1,874,290	12,616	57,949	1,944,855
	<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
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2013 (CONTINUED)

17. FINANCIAL COMMITMENTS

Financial

As at 31 December 2013 the group had £nil authorised and contracted financial commitments (2012: £nil) to be spent in the year ended 31 December 2014.

Obligations under Non-cancellable Leases

As at 31 December 2013 the group had annual commitments under non-cancellable leases for land and equipment as follows:

	2013	2012
	£	£
Expiry Date:		
Within 1 year	16,767	7,000
2 to 5 years	3,492	13,259
	<hr/>	<hr/>
	20,259	20,259
	<hr/>	<hr/>