

**THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY
LIMITED**

FINANCIAL STATEMENTS

**FOR
31 OCTOBER 2019**

**Company Registration Number 03146325
Charity Number 1067224**

ARMSTRONG WATSON AUDIT LIMITED

Chartered Accountants & Statutory Auditors

**Fairview House
Victoria Place
Carlisle, Cumbria
CA1 1HP**

TUESDAY



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THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED
FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2019

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THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

REFERENCE AND ADMINISTRATIVE INFORMATION

The trustees

Mr C H Bagot
 Mrs K L Barnes
 Mr J E Barton
 Miss L D Bennett
 Mrs J M Buckley
 Mr G M Capstick
 Mr D Crayston
 Mr C J Davies
 Mr J A Dixon
 Mr B N Dowker
 Mr P A Duckett
 Mr D H Fell
 Mr C D Geldard
 Mr I K Grisedale
 Mrs M Kelly
 Mr D Lawrence
 Mr D R Martin
 Mr J C Mason
 Mr S Procter
 Mr M H Robinson

President

Mr S A M Rayner DL

President-Elect

Mr W H Robinson

Chairman

Mr S. Procter

Chief executive and company secretary

Mrs C.A. Knipe FRAGS

Registered office

Lane Farm
 Crooklands
 Milnthorpe
 Cumbria
 LA7 7NH

Company registration number

03146325

Charity name and number

The Westmorland County Agricultural Society Limited
 1067224

Auditors

Armstrong Watson Audit Limited
 Chartered Accountants & Statutory Auditors
 Fairview House
 Victoria Place
 Carlisle
 CA1 1HP

Solicitors

Thomson Hayton Winkley
 Regent House
 25 Crescent Road
 Windermere
 LA23 1BJ

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 OCTOBER 2019

The trustees (also directors for the purposes of the Companies Act) present their report together with the financial statements of the charity for the year ended 31 October 2018.

STRUCTURE, MANAGEMENT AND GOVERNANCE

Governing Document

Westmorland County Agricultural Society is a private charitable company limited by guarantee, not having share capital, under the Companies Act 2006. The society was registered as a charity on the 10th January 1964; its registration number is 1067224 and the company number is 03146325.

The charitable company was formed under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

Membership of the Society is open to anyone who has completed the appropriate form and paid the subscription due annually. Any person desiring to become a voting member of the Society shall be nominated by a member, with the application accepted or rejected by the Management Committee. Members elect the Management Committee, in accordance with the Memorandum and Articles of Association, at the Annual General Meeting. Members are elected to serve on the Management Committee for a period of 3 years.

Appointment of Trustees

Under the Articles of Association the Members of the Board of Directors (referred to as the Planning and Development Committee) are the Charity Trustees and Company Directors. The Board of Directors consists of the following:

- The Chairman and Vice-Chairman of the Management Committee, the Showfield Director and Treasurer, who shall be elected by the members present at the Annual General Meeting and
- not more than sixteen and not less than eight members of the Management Committee, who are elected to serve a period of 3 years by the Management Committee.

Trustees' Induction and Training

All trustees are familiar with the work of the charity and regularly attend meetings of the Board.

New trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes and recent financial performance of the charity. Trustees are encouraged to attend external training events appropriate to their role.

Organisational Structure

The Management Committee have ultimate control over the management and operation of the Society and meet on a regular basis, currently quarterly. However, the Board of Directors, as advised by the Management Committee, are responsible for the management and administration of the Society's funds and assets and the maintenance and development of the Society's land and property, and for the organisation and management of shows and activities within the objects of the Society and according to the general policy of the Society. The Board of Directors meet on a regular basis, currently five times per year.

In accordance with the Memorandum and Articles of Association the Management Committee may establish other committees for specific purposes. During the year the following such committees operated, reporting as appropriate to the Board of Directors and on to the Management Committee:

The Rural Links Committee, the Sheep Committee, the Cattle Committee, the Light Horse Committee, the Food Hall Committee, the Country Fest Committee, the Wrestling Committee, the Poultry Committee, the Safety Committee, the Sponsorship & Marketing Committee and the Chris Lambert Bursary Committee.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

TRUSTEES' ANNUAL REPORT *(CONTINUED)*

YEAR ENDED 31 OCTOBER 2019

The trustees employ a Chief Executive to manage the day-to-day operations of the charity. To facilitate effective operations the Chief Executive has delegated authority for operational matters, including finance, and is supported by a permanent staff.

Risk Management Statement

The trustees have carried out a risk reduction assessment of the operational risks associated with the charity. In addition, reviews of both the operational and financial risks are ongoing. These involve identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. As part of this process the trustees review the adequacy of the charity's current internal controls.

OBJECTIVES AND ACTIVITIES

To promote and improve agriculture, horticulture, allied industries, rural crafts, the breeding of livestock, forestry and conservation and in particular in the old county of Westmorland and those parts of adjoining counties which are within a fifty five mile radius of Lane Farm, Crooklands, Milnthorpe, Cumbria.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE

A review of the society's developments, activities and achievements is included in the attached Chief Executive's Annual Report.

PUBLIC BENEFIT

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning the future activities of the Society. The Trustees believe that through attendance at the Westmorland County Show and Country Fest, participation in various training courses held and other Society events, they are providing benefit to members of the public from all walks of life through the enjoyment and educational opportunities of the activities.

FINANCIAL REVIEW

Review of charity's financial position

The charity adopts strict procedures in monitoring its accounts on a regular basis. Despite sound financial management and the significant support of its staff and volunteers, a negative financial outcome for the year has been generated. In the year there has been a net decrease of funds amounting to £24,989. Prior to adjustments of losses on revaluation of investments, the net decrease is £88,490.

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately two years' costs for the annual show. This provides sufficient funds to cover management, administration and support costs in the event of adverse conditions beyond the Society's control. Unrestricted funds were maintained at this level throughout the year. In addition, income generating investments are being maintained to permit the Society to fund the activities it decides to pursue in accordance with its charitable purpose. Following prudent management of the portfolio, the value of the funds held in investments funds has increased substantially during the last two financial years.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

TRUSTEES' ANNUAL REPORT *(CONTINUED)*

YEAR ENDED 31 OCTOBER 2019

Investment policy and performance

The trustees have approved an investment policy that aims to maintain the real value of capital and income whilst achieving a favourable return. Restrictions are in place that assist the charity in minimising its risk.

During the year the investments generated income of £63,430 for the Society. Additionally, movement in the value of the investments at the year-end date resulted in unrealised gains of £108,707. The trustees remain pleased with this year's performance of the investments, which has exceeded expectations. The investment strategy is reviewed annually by the trustees who also receive regular reports from the investment manager as to the portfolio's performance.

Funds held as custodian

During the year the charity held funds on behalf of the Cumbria Proficiency Test Committee, for whom the Society operates as secretariat. These funds are in respect of registrations and other fees and are held in a separate bank account.

PLANS FOR FUTURE PERIODS

The charity plans to continue existing activities in the forthcoming years in pursuance of its aims and objectives:

- Maintain and develop the annual Westmorland County Show, whilst retaining the agricultural emphasis.
- Maximise the revenue for the Society's assets whilst maintaining support for agriculturally related projects.
- Maintain and develop links with the educational sector.

THE TRUSTEES

The trustees who served the charity during the year were as follows:

Mr C H Bagot	
Mrs K L Barnes	
Mr J E Barton	
Miss L D Bennett	
Mr C I Briggs	(resigned 14 February 2019)
Mrs J M Buckley	(appointed 14 February 2019)
Mr D Crayston	
Mr C J Davies	
Mr J A Dixon	
Mr B N Dowker	
Mr A Duckett	(resigned 14 February 2019)
Mr P A Duckett	
Mr D H Fell	
Mr D R Galbraith	(resigned 14 February 2019)
Mr C D Geldard	
Mr I K Grisedale	(appointed 14 February 2019)
Mrs M Kelly	(appointed 14 February 2019)
Mr D Lawrence	
Mr D Martin	
Mr J C Mason	
Mr S Procter	
Mr M H Robinson	

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

TRUSTEES' ANNUAL REPORT (CONTINUED)

YEAR ENDED 31 OCTOBER 2019

Related Parties

The Society, through its activities, has a number of transactions with its trustees and their immediate family members. These transactions are at arms length and are considered at Board level. The details of these transactions are disclosed in note 16 to the accounts.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The directors consider the board of directors, who are the charity's trustees, and the senior staff comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 15 to the accounts. Remuneration for all staff is reviewed annually by the board.

RESPONSIBILITIES OF THE TRUSTEES

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the end of the period and of the surplus or deficiency for the period then ended.

In preparing those financial statements, the trustees are required to select suitable accounting policies, as described on pages 13 to 15, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 2006. The trustees are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In accordance with company law, as the company's directors, we certify that

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the trustees of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution that Armstrong Watson Audit Limited be re-appointed as auditors for the Charity for the ensuing year will be put to the Annual General Meeting in accordance with section 487(2) of the Companies Act 2006.

Registered office:

Lane Farm
Crooklands
Milnthorpe
Cumbria
LA7 7NH

Signed by order of the Trustees



Mrs C. A. Knipe FRAGS
Company Secretary

Approved by the trustees on 8 February 2020

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

CHIEF EXECUTIVE'S ANNUAL REPORT

YEAR ENDED 31 OCTOBER 2019

Amidst an uncertain and changing landscape, both politically and within agriculture, it is most encouraging that the Westmorland County Agricultural continued to prosper.

Some would say we were due a wet one! Thousands of visitors from across the county and beyond refused to let the weather dampen their spirits as they headed to the Westmorland County Show on Thursday 12 September. Almost 27,000 stoic showgoers attended the 220th Show at Crooklands, taking in all that Cumbria's big day out had to offer.

Welcoming exhibitors from across the country, hosting two national shows – Highland and Belted Galloway – boosted cattle numbers to a record 496. We were truly honoured to host the prestigious *Burke Trophies*, considered to be the pinnacle awards in the cattle showing world – the first one-day and first non-Royal show at which they have been contested. Winners of the dairy trophy were a pair of Ayrshires from Wigton, an enormous accolade for Cumbria. Boasting record entries for the sixth successive year, 1,277 sheep were exhibited in the Sheep section, which included Poll Dorset and Southdown breed classes for the first time. Poultry and Stick sections also recorded record entries and the Alpaca section was full to capacity. Struggling with the elements, exhibitors battled on in the Equine Village although sadly the Show Jumping succumbed to the weather, just managing to run one class. Food Theatre audiences were wowed with appearances from Channel 4's Simon Rimmer alongside Cumbria's own Irini Tzortoglou, MasterChef winner, and 4 other foodies. Unsurprisingly, the marquees were packed throughout the day especially the Learning for Life and WI tents. There were challenges to be faced with muddy car parks, accidents and the relentless rain, although the authorities hailed the new traffic management systems a huge success.

Minette Batters, NFU President, was a most welcome guest, and was especially impressed by the quality and numbers of livestock exhibited, particularly complimentary about the Society's commitment to education. The Master of the Worshipful Company of Farmers, Ms Rosie Carne, was bowled over by the quality of diversity of food producers in the Food Hall where she judged the stands. Sincere thanks are recorded to the Inmans and Sowerbys for again providing additional public parking.

A huge thank you to all the visitors, exhibitors, stewards, members and judges who supported the 220th County Show – a credit to the true spirit of Westmorland.

Despite the showers, almost 15,000 visitors attended Country Fest, enjoying everything this growing festival had to offer. Alongside regular favourites, the new Floral Design Marquee amazed visitors with creative and imaginative floral displays. The innovative *Thriving Trolleys* Competition challenged primary schools to plant, grown and nurture an array of flowers, fruit or vegetables in a supermarket trolley. Delighted to host the IWA National Trailboat Festival, part of Lancaster Canal's bi-centenary celebrations, trailboaters from throughout the UK gathered on the Northern Reaches with a stunning array of boats. Continuing its appeal as a family-focussed event, we hope to see visitor numbers increase.

Both the County Show and Country Fest raise vital funds to enable the Society to continue to support farming and the countryside.

What a pleasure it was to welcome HRH The Countess of Wessex to her last engagement as our President, to Lords Plain Farm for the 2018 Silage Competition, which also incorporated an educational workshop for secondary school pupils. Following discussions with the Silage judges, Her Royal Highness toured the farm, meeting students participating in the activities all related to livestock nutrition and dairy production. A damson tree presented to the Countess in recognition of the visit has been planted in the Society's orchard at Lane Cottage.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

CHIEF EXECUTIVE'S ANNUAL REPORT (CONTINUED)

YEAR ENDED 31 OCTOBER 2019

The YFC Stockjudging event was well supported whilst entries for the annual silage competition, sponsored by Carrs Billington, equalled the previous record of 97. In a change to the usual "barbeque" format, President Sam and Judy Rayner warmly hosted a Casino Evening at Lakeside YMCA raising, with match funding, £7,000 for their young peoples' charities.

Hard to believe, but our Farm Open Days just keep getting better, with 2019's event probably being the most successful to date. "Awesome", "Best trip ever" and "When can I come again" could be heard from every school group. An amazing 1600 primary school pupils from Cumbria and North Lancashire attended over the two days, again held at Heaves Farm, Levens, gaining a real insight into the agricultural sector, the origins of their food and the countryside. Sincere thanks to the North West Farmers' Trust who donated £2,000 towards the costs. Matched with our charitable objectives, the promotion of agriculture remains at the forefront of Society activities. Westmorland's unique "Farm to Fork Roadshow" continues to grow in popularity, with members showcasing a selection of animals and Society displays linking food and farming at many new locations during the year. Two members attained the CEVAS qualification. Practical training continued at Lane Farm and, as secretariat of the Cumbria Proficiency Test Committee, over 3,000 candidates were registered for NPTC certification via City and Guilds. With a local focus and global outlook, Westmorland is proud to be a member of the Royal Agricultural Society of the Commonwealth and supported two next generation delegates to attend the 28th annual conference in Canada. The Society continues our involvement with the Innovation for Agriculture initiative, established by RASE.

Following a decision by the Lunesdale Agricultural Society to wind up their affairs, their remaining funds have been invested in the Chris Lambert Bursary. Whilst it is extremely sad that the Lunesdale Show will no longer continue, it is appropriate that the accumulated funds are to be used for the benefit of agriculture in the area and we gratefully thank Lunesdale's committee members for making this possible.

Activity in the meeting rooms has seen slow, but positive, improvement and interest in the Showground has remained high, with this year's activities including horse events, caravan rallies, motor and motorcycle shows and many canine events in addition to a national cyclo-cross weekend. A new partnership has seen Westmorland Riding for the Disabled group offer weekly carriage driving lessons for adults and children with disabilities. The incoming Prime Minister, Mr Boris Johnson, also visited.

Our staff, well we are blessed. They have, and always will, go the extra mile for the good of our Society. Sadly Miss Burns chose to leave us during the year. Meanwhile Miss C Nelson was offered a permanent contract and Mrs C Akrigg joined the office team focussing on sponsorship. It is a privilege to be part of this team.

On behalf of the Society, I would like to record our sincere thanks to all the many members, stewards, volunteers and all involved with Westmorland's many and varied activities. Without this support our charitable work, and our fundraising events, could not be enjoyed by so many. We are experiencing an unprecedented political climate, however, as a Society we are well placed to continue to promote all that the agricultural sector has to offer.

Christine Knipe FRAGS
Chief Executive

January 2020

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

YEAR ENDED 31 OCTOBER 2019

OPINION

We have audited the financial statements of The Westmorland County Agricultural Society Limited for the year ended 31 October 2019 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008), including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 October 2018 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 requirements of the Companies Act 2006.

BASIS OF OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditor's report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

YEAR ENDED 31 OCTOBER 2019

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees' report is inconsistent in any material respect with the financial statements; or
- adequate accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company's or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. The description forms part of our Auditor's report.



Karen A Rae FCCA
For and on behalf of
Armstrong Watson Audit Limited
 Chartered Accountants
 Statutory Auditors
 Carlisle

Date: 18 March 2020

Armstrong Watson Audit Limited is eligible to act as auditors in terms of section 1212 of the Companies Act 2006.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 OCTOBER 2019

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
INCOME					
Income from generated funds:					
<i>Donations and legacies</i>					
Subscriptions		24,734	-	24,734	19,855
Donations		25,414	-	25,414	5,000
<i>Income from other trading activities</i>					
Grazing and land letting, etc		81,644	-	81,644	83,373
Room hire		13,404	-	13,404	14,689
Investment income					
- Investment income	3	63,430	-	63,430	64,138
- Interest receivable		82	-	82	44
<i>Income from charitable activities</i>	2	503,342	-	503,342	519,697
TOTAL INCOMING RESOURCES		<u>712,050</u>	<u>-</u>	<u>712,050</u>	<u>706,796</u>
EXPENDITURE					
<i>Costs on raising funds</i>					
Grazing and land letting, etc		18,466	-	18,466	20,064
Room hire		42,046	-	42,046	40,595
Investment manager fees		7,184	-	7,184	6,264
Charitable activities		<u>732,844</u>	<u>-</u>	<u>732,844</u>	<u>658,986</u>
TOTAL EXPENDITURE	4	<u>800,540</u>	<u>-</u>	<u>800,540</u>	<u>725,909</u>
NET INCOME /EXPENDITURE BEFORE INVESTMENTS		(88,490)	-	<u>(88,490)</u>	<u>(19,113)</u>

The notes on pages 13 to 24 form part of these financial statements.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) (CONTINUED) YEAR ENDED 31 OCTOBER 2019

Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
NET INCOME /EXPENDITURE BEFORE INVESTMENTS CARRIED FORWARD	(88,490)	-	(88,490)	(19,113)
Realised gains/(losses) on disposal of fixed asset investments	4,772	-	4,772	(2,629)
Unrealised (losses)/gains on revaluation of investments	108,707	-	108,707	(81,274)
NET MOVEMENT IN FUNDS RELATING TO THE YEAR	24,989	-	24,989	(103,016)
Balances brought forward	4,397,312	-	4,397,312	4,500,328
Balances carried forward	4,422,301	-	4,422,301	4,397,312

The Statement of Financial Activities (including Income and Expenditure Account) includes all gains and losses recognised in the year.

All of the activities of the charity are classed as continuing.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED
COMPANY REGISTRATION NUMBER 03146325

BALANCE SHEET
31 OCTOBER 2019

	Note	31 st October 2019 £	31 st October 2018 £
FIXED ASSETS			
Tangible assets	7	2,381,423	2,389,496
Intangible assets	8	1,758	4,772
Investments	3	2,105,572	1,922,901
		<u>4,488,753</u>	<u>4,317,169</u>
CURRENT ASSETS			
Debtors	9	117,476	90,856
Investments	10	16,654	91,166
Stock		473	263
Cash at bank and in hand		168,975	145,754
		<u>303,578</u>	<u>328,539</u>
CREDITORS: Amounts falling due within one year	11	<u>(324,571)</u>	<u>(185,483)</u>
NET CURRENT ASSETS		<u>(20,993)</u>	<u>143,056</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>4,467,760</u>	<u>4,460,225</u>
CREDITORS: Amounts falling due after more than one year	12	<u>(45,459)</u>	<u>(62,913)</u>
NET ASSETS		<u>4,422,301</u>	<u>4,397,312</u>
FUNDS			
Unrestricted:			
Designated funds	14	811,114	703,177
Other charitable funds		3,611,187	3,694,135
		<u>4,422,301</u>	<u>4,397,312</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The Trustees consider that the company is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the company to obtain an audit for the year in question in accordance with section 476 of the Act. However, an audit is required in accordance with section 144 of the Charities Act 2011. The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

These financial statements were approved by the trustees on the 8 February 2020, and are signed on their behalf by:

.....
Mr S Procter
Trustee

.....
Miss L D Bennett
Trustee

The notes on pages 13 to 24 form part of these financial statements.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2019

1. ACCOUNTING POLICIES

Statement of compliance

The Westmorland County Agricultural Society Limited is a limited company incorporated in England and Wales. The address of its registered office is Lane Farm, Crooklands, Milnthorpe, Cumbria LA7 7NH.

The principal activity of the company is the promotion and improvement of agriculture, horticulture and other rural activities.

These financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the Company operates.

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Westmorland County Agricultural Society Limited meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

Income

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Capital Grants received specifically to provide fixed assets are recognised in the Statement of Financial Activities as income in the period of entitlement. The trustees have created designated funds for such grants, which are being reduced over the useful economic life of the asset in line with its depreciation.

Fixed asset investment income is credited to the Statement of Financial Activities in the period of receipt. Rental income is included in the accounts on an accruals basis.

Financial Instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2019

1. ACCOUNTING POLICIES (*continued*)

Stock

Stock of branded merchandise is valued at the lower of cost and net realisable value on a first in first out basis.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of investment management.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Buildings	Over 50 years
Plant and Machinery	20% Straight Line
Fixtures and Fittings	20% Straight Line
Motor Vehicles	25% Straight Line
Roads	20% Straight Line
Computer Equipment	50% Straight Line
Website	33.3% Straight Line

Investment properties are valued at open market value at the balance sheet date. This valuation is at trustees' estimate as they do not believe that the expense of a professional valuation is in the interests of the members.

Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

Investments held as current assets are cash balances held with the investment managers which have not been invested in long term investments.

Fund Accounting

Unrestricted funds are available to use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Board of Trustees for particular purposes.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2019

1. ACCOUNTING POLICIES (*continued*)

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Key Estimations and Judgements

The preparation of these financial statements requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Establishing useful economic lives for depreciation purposes of property, plant and equipment

The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The trustees regularly review these assets useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation charges for the period. Details of the depreciation policies based on estimated useful economic lives are included in accounting policies.

Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 OCTOBER 2019

2. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Show income	433,092	-	433,092	444,766
Room and office hire	10,904	-	10,904	12,547
Training schemes	46,391	-	46,391	45,674
Other income	12,955	-	12,955	16,710
	<u>503,342</u>	<u>-</u>	<u>503,342</u>	<u>519,697</u>

In 2018, income from charitable activities of £515,201 was to unrestricted funds, and £4,496 was to restricted funds.

3. INVESTMENTS

	Value 31st October 2019 £	Value 31st October 2018 £	Income 2019 £	Income 2018 £
UK quoted investments	2,102,461	1,919,901	63,430	64,138
B4RN investment	3,111	3,000	-	-
	<u>2,105,572</u>	<u>1,922,901</u>	<u>63,430</u>	<u>64,138</u>

In 2018, the total income from Investments of £64,138 was to unrestricted funds.

Movement in market value

	2019 £	2018 £
Market value at 1 November 2018	1,919,901	2,078,704
Acquisitions at cost	141,514	57,118
Disposals at opening book value	(67,661)	(134,647)
Net (losses)/gains on revaluations in the period ended 31 October 2019	108,707	(81,274)
Market value at 31 October 2019	<u>2,102,461</u>	<u>1,919,901</u>
Historical cost at 31 October 2019	<u>1,370,948</u>	<u>1,295,900</u>

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2019

4. TOTAL EXPENDITURE

	Unrestricted Funds £	Restricted Funds £	Total Funds 2019 £	Total Funds 2018 £
Activities for generating funds	67,696	-	67,696	66,923
Show expenses	436,558	-	436,558	401,761
Room hire, courses etc	8,686	-	8,686	7,696
Other charitable expenses	254,405	-	254,405	217,921
Governance	33,195	-	33,195	31,608
	<u>800,540</u>	<u>-</u>	<u>800,540</u>	<u>725,909</u>

In 2018, expenditure of £721,413 was to unrestricted funds, and £4,496 was to restricted funds.

	Charitable Activities			Total 2019	Total 2018
	Show £	Room hire, courses etc £	Other £	£	£
Salaries	37,000	-	63,444	100,444	96,361
Office costs	24,033	900	9,513	34,446	34,688
Subscriptions & donations	-	-	1,789	1,789	2,408
Legal & professional	-	-	2,118	2,118	625
Depreciation	-	-	67,406	67,406	65,707
Rural links	-	-	12,554	12,554	1,593
C Lambert Bursary	-	-	6,317	6,317	2,554
Audit & accountancy fees	-	-	5,500	5,500	5,500
Training	-	-	4,912	4,912	2,554
Showground proposals	-	-	1,525	1,525	180
Bad debts written off	-	-	53	53	-
Other expenses	375,525	7,786	90,074	473,385	421,333
	<u>436,558</u>	<u>8,686</u>	<u>259,905</u>	<u>705,149</u>	<u>633,503</u>

The table above does not include costs in respect of expenditure for raising funds.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2019

4. TOTAL EXPENDITURE (*continued*)

These accounts include accruals in respect of out-of-pocket expenses to be paid to the following trustees:

	£
Mr S Procter	1,400
Miss L Bennett	650
Mr P Duckett	1,000
Mrs K Barnes	750

The aggregate payroll costs were:

	2019 £	2018 £
Wages and salaries	190,955	160,817
Employers costs	11,506	9,472
	<u>202,461</u>	<u>170,289</u>

No employee received emoluments of more than £60,000 (2018 nil).

Trustees received remuneration in the year totalling £13,081 (2018 £8,579), in respect of setting up events. No trustee received remuneration in respect of their duty as a trustee.

Remuneration to key management personnel who comprise the Chief Executive and Trustees totalled £55,033 (2018 £51,454).

Particulars of employees:

The average number of staff employed by the charity during the financial year amounted to:

	2019 No.	2018 No.
Number of administrative staff	5	5
Other staff	<u>1</u>	<u>1</u>

5. NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR

This is stated after charging:-

	2019 £	2018 £
Depreciation	67,406	65,707
Auditors' remuneration		
- Audit services	5,500	5,500

6. TAXATION

The charitable company is exempt from corporation tax on its charitable activities.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2019

7. TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Equip't £	Fixtures & Fittings £	Motor Vehicles £	Investment Property £	Total £
COST						
At 1 Nov 2018	2,684,509	245,866	47,257	16,228	364,712	3,358,572
Additions	21,821	34,498	-	-	-	56,319
Disposals	-	(468)	-	-	-	(468)
At 31 Oct 2019	2,706,330	279,896	47,257	16,228	364,712	3,414,423
DEPRECIATION						
At 1 Nov 2018	700,710	193,926	37,119	16,228	21,093	969,076
Charge for the year	33,914	26,535	3,943	-	-	64,392
Disposals	-	(468)	-	-	-	(468)
At 31 Oct 2019	734,624	219,993	41,062	16,228	21,093	1,033,000
NET BOOK VALUE						
At 31 Oct 2019	1,971,706	59,903	6,195	-	343,619	2,381,423
At 31 Oct 2018	1,983,799	51,940	10,138	-	343,619	2,389,496

The investment property was transferred on 1st June 2005 at historical cost. The trustees believe this valuation to be appropriate at the year end as open market value.

8. INTANGIBLE FIXED ASSETS

	Website £	Total £
COST		
At 1 Nov 2018	9,042	9,042
Additions	-	-
Disposals	-	-
At 31 Oct 2019	9,042	9,042
DEPRECIATION		
At 1 Nov 2018	4,270	4,270
Charge for the year	3,014	3,014
Disposals	-	-
At 31 Oct 2019	7,284	7,284
NET BOOK VALUE		
At 31 Oct 2019	1,758	1,758
At 31 Oct 2018	4,772	4,772

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2019

9. DEBTORS

	2019	2018
	£	£
Trade debtors	39,018	37,114
VAT recoverable	27,280	4,016
Prepayments	51,178	49,726
	<u>117,476</u>	<u>90,856</u>

10. INVESTMENTS

	2019	2018
	£	£
Stockbroker Dealing Account	12,428	89,238
Stockbroker Dealing Account-Bursary	563	21
Stockbroker Income Account	277	373
Stockbroker Income Account-Bursary	3,386	2,034
	<u>16,654</u>	<u>91,666</u>

11. CREDITORS: Amounts falling due within one year

	2019	2018
	£	£
Bank loan	17,440	17,440
Trade creditors	140,823	80,339
PAYE, social security and pension	4,022	3,746
Accruals and deferred income	53,092	17,316
Funds held as custodian	109,194	66,642
	<u>324,571</u>	<u>185,483</u>

The Society operates as secretariat to the Cumbria Proficiency Test Committee, for whom funds are held as custodian. These funds are in respect of registrations and other fees and are held in a separate bank account.

12. CREDITORS: Amounts falling due after one year

	2019	2018
	£	£
Bank loan	45,459	62,913
	<u>45,459</u>	<u>62,913</u>

The bank loan is secured by a legal charge on land at Deepthwaite, Crooklands.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2019

13. CONTINGENT LIABILITY

The Society has adopted a new accounting procedure from 1 January 2019 which exempts certain elements of event income from output VAT. This method is open to challenge by HMRC and could potentially give rise to an additional taxation liability to be paid by the Society.

14. DESIGNATED FUNDS

DESIGNATED FUNDS – CURRENT YEAR

Movement in resources:

	Balance at 1 Nov 2018 £	New designations/ investment income £	Utilised/ Released £	Investment Revaluation £	Balance at 31 Oct 2019 £
Chris Lambert Bursary Fund	63,930	3,478	(6,517)	4,910	65,801
Farm and Food Business Development and Resource Centre	14,353	-	(516)	-	13,837
Revaluation Fund	624,894	-	-	106,582	731,476
Building fund	-	-	-	-	-
	<u>703,177</u>	<u>3,478</u>	<u>(7,033)</u>	<u>111,492</u>	<u>811,114</u>

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2019

DESIGNATED FUNDS – PRIOR YEAR

Movement in resources:

	Balance at 1 Nov 2017 £	New designations/ investment income £	Utilised/ Released £	Investment Revaluation £	Balance at 31 Oct 2018 £
Chris Lambert Bursary Fund	66,367	2,863	(2,554)	(2,746)	63,930
Farm and Food Business Development and Resource Centre	14,869	-	(516)	-	14,353
Revaluation Fund	736,893	-	-	(111,999)	624,894
Building fund	3,000	-	(3,000)	-	-
	<u>821,129</u>	<u>2,863</u>	<u>(6,070)</u>	<u>(114,745)</u>	<u>703,177</u>

In recognition of all Mr Lambert's efforts, particularly his willingness and support in helping others, the Society set up the Chris Lambert Bursary Fund. The fund has received additional monies from the Lunesdale Agricultural Society during the year. Previously, Burton, Milnthorpe and Carnforth Agricultural Society and Sedbergh NFU contributed towards the fund. The fund makes awards to successful applicants. The aim of the fund is to encourage, promote and improve agriculture, horticulture, allied industry, rural crafts, livestock breeding and forestry conservation and to encourage agriculture, horticulture and conservational education and research.

The revaluation fund represented the amount by which investments exceed their historical cost.

The remaining designated funds represent incoming resources, given specifically to provide fixed assets, as reduced over the useful economic life of that asset in line with its depreciation.

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS – CURRENT YEAR

	General Funds £	Designated Funds £	Total Funds £
Tangible fixed assets	2,369,344	13,837	2,383,181
Investments	1,308,295	797,277	2,105,572
Other net assets/(liabilities)	(66,452)	-	(66,452)
Net assets at 31 October 2019	<u>3,611,187</u>	<u>811,114</u>	<u>4,422,301</u>

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2019

15. ANALYSIS OF NET ASSETS BETWEEN FUNDS *(continued)*

ANALYSIS OF NET ASSETS BETWEEN FUNDS – PRIOR YEAR

	General Funds £	Designated Funds £	Total Funds £
Tangible fixed assets	2,379,915	14,353	2,394,268
Investments	1,234,077	688,824	1,922,901
Other net assets/(liabilities)	80,143	-	80,143
Net assets at 31 October 2018	<u>3,694,135</u>	<u>703,177</u>	<u>4,397,312</u>

16. RELATED PARTY TRANSACTIONS

During the period the following trustees were invoiced by the charitable company for grazing and other fees:-

	2019 £	2018 £
Miss L Bennett	12	147
Mr J A Dixon	242	20
Mr J C Mason	-	10
Mr D Martin	25	20
Mr S Procter	76	115
Mrs J M Buckley	12	-
Mr I K Grisedale	625	-
Mr M G Capstick	25	-

These fees were charged on an arms length basis.

Other transactions with trustees:-

During the year Mrs C A Knipe was reimbursed for costs and expenses which were incurred on behalf of the Society, paid privately.

17. COMPANY LIMITED BY GUARANTEE

The liability of the members is limited. Every member of the society undertakes to contribute to the assets of the society in the event of the same being wound up while he is a member or within one year after he ceases to be a member and of the costs, charges and expenses of winding up and for the adjustment of the rights of the contributories among themselves such amount as may be required not exceeding five pounds.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2019

18. FINANCIAL INSTRUMENTS

	2019 £	2018 £
Financial assets		
Financial assets measured at fair value through profit and loss	2,291,201	2,159,821
Financial assets measured at amortised cost	111,999	91,119
Financial liabilities		
Financial liabilities measured at amortised cost	(364,080)	(248,396)
	<u>2,039,120</u>	<u>2,002,544</u>

Financial assets measured at fair value through profit or loss comprise bank accounts and investments.

Financial assets measured at amortised cost comprise trade debtors, prepayments, other debtors, and VAT and stock.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.