

**Charity Registration No. SC000143 (Scotland)**

**Company Registration No. SC233565 (Scotland)**

**KINTYRE AGRICULTURAL SOCIETY**

**ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 OCTOBER 2021**

**PAGES FOR FILING WITH REGISTRAR**

# KINTYRE AGRICULTURAL SOCIETY

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Directors

Colin McCallum  
John Armour (Honorary Secretary and  
Treasurer - non voting)  
Callum MacPhail (Senior Vice President)

Drew McKendrick  
Michael Mayberry  
Archie Johnston  
Malcolm Ronald (President)  
Mrs Beth McEachran  
Mr Iain McKendrick (Junior Vice  
President)  
Mr S Herraty  
Mr J Pirie  
Mr J Bateman  
Mr Harry Gemmill  
Mr Andrew Barbour (Appointed 12 January 2021)

### Secretary

John Armour (Honorary Secretary and Treasurer - non voting)

### Charity number (Scotland)

SC000143

### Company number

SC233565

### Registered office

Kinloch Hall  
Lochend Street  
Campbeltown  
PA28 6DL

### Independent examiner

Iain Webster  
Suite 30  
Hazelburn Business Park  
Milknowe  
Campbeltown  
Argyll  
PA28 6HA

### Bankers

Virgin Money  
19 Longrow  
Campbeltown  
Argyll  
PA28 6ES

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# KINTYRE AGRICULTURAL SOCIETY

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# KINTYRE AGRICULTURAL SOCIETY

## DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 OCTOBER 2021

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The directors present their report and financial statements for the year ended 31 October 2021.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the society's articles of association, the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (as amended for accounting periods commencing from 1 January 2016)

#### Objectives and activities

The company was formed to take over the activities of Kintyre Agricultural Society ('the Society') as from 1 November 2002. The main purpose of the company is to promote and advance agriculture, agricultural science and associated trades through regular meetings and social activities. The company actively encourages young people to train in stockmanship and other farming skills through having specific classes in its shows for youngsters, promoting the Royal Highland Education Trust in the local area through the schools, and offering bursaries to those who wish to study in some aspect of farming.

The Company's main trading asset, being the land and properties at Anderson Show Field are owned and run by Anderson Trading Company Ltd, a wholly owned subsidiary of Kintyre Agricultural Society ('the Company').

The directors have paid due regard to guidance issued by the Charity Commission in deciding what activities the society should undertake.

#### Achievements and performance

This year, due to Covid, the Company undertook only one social event: a tup sale in September. The results of this activity is contained in the Financial Statements.

The Company had a surplus for the year of £1,924 (2020 - surplus of £1,625). This surplus has been added to the reserves and carried forward. The company holds 100% of the share capital in Anderston Trading Company Limited which has a deficit of net assets of £19,653. The directors are satisfied that in the event of the land in Anderston Trading Company Limited being sold the amounts due from that company to Kintyre Agricultural Society would be fully recoverable.

#### Financial review

It is the policy of the society that unrestricted funds which have not been designated for a specific use should be maintained at a level equivalent to between three and six month's expenditure. The directors considers that reserves at this level will ensure that, in the event of a significant drop in funding, they will be able to continue the society's current activities while consideration is given to ways in which additional funds may be raised. This level of reserves has been maintained throughout the year.

The directors has assessed the major risks to which the society is exposed, and are satisfied that systems are in place to mitigate exposure to the major risks.

#### Structure, governance and management

The society is a company limited by guarantee not having a share capital. It is also a registered charity recognised by HM Revenue & Customs under the Scottish Charity Number SC000143.

The directors who served during the year and up to the date of signature of the financial statements were:

Colin McCallum

John Armour (Honorary Secretary and Treasurer -  
non voting)

Andrew Gemmill

(Resigned 12 January 2021)

Callum MacPhail (Senior Vice President)

Drew McKendrick

Michael Mayberry

## KINTYRE AGRICULTURAL SOCIETY

### DIRECTORS' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 OCTOBER 2021**

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Archie Johnston

Malcolm Ronald (President)

Steve Jones

(Resigned 12 January 2021)

Mrs Beth McEachran

Mr Iain McKendrick (Junior Vice President)

Mr S Herraty

Mr J Pirie

Mr J Bateman

Mr Harry Gemmill

Mr Andrew Barbour

(Appointed 12 January 2021)

The Directors, who must be members of the Society, are elected for a minimum period of three years after which, if they wish to stand down, they must propose a member from their geographical location to stand as a Director in their place. The geographical area covered by the Society is split up in to 9 separate geographical regions represented by one Director of the society each. The Board of Directors have the right to fill, on a temporary basis, any vacancies that may arise during the year, from the members of the society. It has also been previously agreed that the Honorary Secretary, John Armour, should be a non-voting Director of the charity, in order to assist with the submission of forms to the Office of the Scottish Charities Regulator.

The liability of the directors on a wind up of the company is limited to £1 each.

The directors' report was approved by the Board of Directors.

**Malcolm Ronald (President)**

Director

Dated: 20 December 2021

# KINTYRE AGRICULTURAL SOCIETY

## INDEPENDENT EXAMINER'S REPORT

### TO THE DIRECTORS OF KINTYRE AGRICULTURAL SOCIETY

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I report on the financial statements of the society for the year ended 31 October 2021, which are set out on pages 4 to 11.

#### **Respective responsibilities of directors and examiner**

The society's directors, who also act as trustees for the charitable activities of Kintyre Agricultural Society, are responsible for the preparation of the financial statements in accordance with the terms of the Charities and Trustee Investments (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006. The directors consider that the audit requirement of Regulation 10(1)(a) to (c) of the 2006 Accounts Regulations does not apply. It is my responsibility to examine the financial statements as required under section 44(1)(c) of the Act and to state whether particular matters have come to my attention.

#### **Basis of independent examiner's statement**

My examination is carried out in accordance with Regulation 11 of the 2006 Accounts Regulations. An examination includes a review of the accounting records kept by the charity and a comparison of the financial statements presented with those records. It also includes consideration of any unusual items or disclosures in the financial statements, and seeks explanations from the trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently I do not express an audit opinion on the view given by the financial statements.

#### **Independent examiner's statement**

In connection with my examination, no matter has come to my attention:

- (a) which gives me reasonable cause to believe that in any material respect the requirements:
  - (i) to keep accounting records in accordance with section 44(1) (a) of the 2005 Act and Regulation 4 of the 2006 Accounts Regulations; and
  - (ii) to prepare financial statements which accord with the accounting records and comply with Regulation 8 of the 2006 Accounts Regulations;have not been met or
- (b) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the financial statements to be reached.

Iain D C Webster  
Suite 30  
Hazelburn Business Park  
Milknoe  
Campbeltown  
Argyll  
PA28 6HA

Dated: 20 December 2021

# KINTYRE AGRICULTURAL SOCIETY

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT FOR THE YEAR ENDED 31 OCTOBER 2021

		Unrestricted funds 2021 £	Unrestricted funds 2020 £
	Notes		
<b>Income from:</b>			
Donations and legacies	3	2,962	2,705
Charitable activities	4	2,537	3,952
Investments	5	10	69
<b>Total income</b>		<b>5,509</b>	<b>6,726</b>
<b>Expenditure on:</b>			
Charitable activities	6	3,585	5,101
<b>Net income for the year/ Net movement in funds</b>		<b>1,924</b>	<b>1,625</b>
Fund balances at 1 November 2020		48,441	46,816
<b>Fund balances at 31 October 2021</b>		<b>50,365</b>	<b>48,441</b>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

# KINTYRE AGRICULTURAL SOCIETY

## BALANCE SHEET

AS AT 31 OCTOBER 2021

	Notes	2021 £	£	2020 £	£
<b>Fixed assets</b>					
Investments	10		6,096		6,096
<b>Current assets</b>					
Debtors	11	34,008		30,105	
Cash at bank and in hand		13,259		12,966	
		<u>47,267</u>		<u>43,071</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(2,998)</u>		<u>(726)</u>	
Net current assets			44,269		42,345
<b>Total assets less current liabilities</b>			<u>50,365</u>		<u>48,441</u>
<b>Income funds</b>					
Unrestricted funds			50,365		48,441
			<u>50,365</u>		<u>48,441</u>

The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 October 2021.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

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

The financial statements were approved by the Directors on 20 December 2021

Malcolm Ronald (President)

**Trustee**

**Company Registration No. SC233565**



# KINTYRE AGRICULTURAL SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 OCTOBER 2021**

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### **1 Accounting policies**

#### **Charity information**

Kintyre Agricultural Society is a private company limited by guarantee incorporated in Scotland. The registered office is Kinloch Hall, Lochend Street, Campbeltown, PA28 6DL.

#### **1.1 Accounting convention**

The financial statements have been prepared in accordance with the society's [governing document], the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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 2019)". The society is a Public Benefit Entity as defined by FRS 102.

The society has taken advantage of the provisions in the SORP for charities applying FRS 102 Update Bulletin 1 not to prepare a Statement of Cash Flows.

The financial statements are prepared in sterling, which is the functional currency of the society. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the society has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The Directors have considered the risks and impact of Covid-19 and conclude that the exposure presented to the Society is minimal. This is the result of the ongoing sources of funding for the Society which should be similar to the ongoing costs due to the Society holding cash reserves of around two years ongoing expenditure.

#### **1.3 Charitable funds**

Unrestricted funds are available for use at the discretion of the directors in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the society.

#### **1.4 Income**

Income is recognised when the society is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the society has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

# KINTYRE AGRICULTURAL SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

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### 1 Accounting policies

(Continued)

Legacies are recognised on receipt or otherwise if the society has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

#### 1.5 Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

All expenditure is accounted for on an accruals basis. All expenses including support costs and governance costs are allocated or apportioned to the applicable expenditure headings.

Irrecoverable VAT is charged as a cost against the activity for which the expenditure is incurred.

#### 1.6 Fixed asset investments

Fixed asset investments are initially measured at transaction price excluding transaction costs, and are subsequently measured at fair value at each reporting date. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

A subsidiary is an entity controlled by the society. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.7 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The society has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the society's balance sheet when the society becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

# KINTYRE AGRICULTURAL SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of operations from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the society's contractual obligations expire or are discharged or cancelled.

### 2 Critical accounting estimates and judgements

In the application of the society's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

### 3 Donations and legacies

	Unrestricted funds	Unrestricted funds
	2021 £	2020 £
Donations and gifts	117	-
Membership fees	2,845	2,705
	<u>      </u>	<u>      </u>

### 4 Charitable activities

	Charitable Income	Charitable Income
	2021 £	2020 £
Sales within charitable activities	2,537	3,952
	<u>      </u>	<u>      </u>

# KINTYRE AGRICULTURAL SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

### 5 Investments

	Unrestricted funds	Unrestricted funds
	2021	2020
	£	£
Interest receivable	10	69
	<u>10</u>	<u>69</u>

### 6 Charitable activities

	Charitable Expenditure 2021	Charitable Expenditure 2020
	£	£
Winter show and dance	-	444
Dinner & whist	-	550
Ploughing match	-	327
Tup sale	43	299
Event insurance	470	470
	<u>513</u>	<u>2,090</u>
Share of support costs (see note 7)	178	182
Share of governance costs (see note 7)	2,894	2,829
	<u>3,585</u>	<u>5,101</u>

The donations paid were made to organisations that had hired marquees from the company.

# KINTYRE AGRICULTURAL SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

### 7 Support costs

	Support costs	Governance costs	2021	2020
	£	£	£	£
Printing, postage, stationary & advertising	149	-	149	142
Sundry expenses	29	-	29	40
Accountancy fees	-	756	756	726
Legal and professional	-	138	138	103
Secretary & treasurer's honoraria	-	2,000	2,000	2,000
	<u>178</u>	<u>2,894</u>	<u>3,072</u>	<u>3,011</u>
Analysed between				
Charitable activities	<u>178</u>	<u>2,894</u>	<u>3,072</u>	<u>3,011</u>

The independent examiners costs of £580 are included in the accountancy fees above.

### 8 Directors

Mr John Armour received an honorarium of £2,000 (2020 - £2,000) for acting as Secretary and Treasurer to the committee during the year. None of the directors (or any persons connected with them) received any remuneration or benefits from the society during the year.

### 9 Employees

The average monthly number of employees during the year was:

	2021 Number	2020 Number
Directors	<u>14</u>	<u>14</u>

There were no employees whose annual remuneration was £60,000 or more.

### 10 Fixed asset investments

# KINTYRE AGRICULTURAL SOCIETY

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2021

### 10 Fixed asset investments (Continued)

	Listed investments £	Other investments	Total £
<b>Cost or valuation</b>			
At 1 November 2020 & 31 October 2021	6,095	1	6,096
<b>Carrying amount</b>			
At 31 October 2021	6,095	1	6,096
At 31 October 2020	6,095	1	6,096
Other investments comprise:	<b>Notes</b>	<b>2021 £</b>	<b>2020 £</b>
Investments in subsidiaries		1	1

The investment in the subsidiary company is the cost of 1 ordinary £1 share in Anderston Trading Company Ltd. This is the entire issued share capital and therefore the company, which is registered in Scotland and trades as a property rental company, is a wholly owned subsidiary of Kintyre Agricultural Society. During the year to 31 October 2021, Anderston Trading Company Ltd's loss amounted to £4,364 (2020 - £2,978) and its total net liabilities at 31 October 2021 amounted to £19,653 (2020 - £15,289 ).

### 11 Debtors

	<b>2021 £</b>	<b>2020 £</b>
<b>Amounts falling due within one year:</b>		
Other debtors	33,665	29,767
Prepayments and accrued income	343	338
	<u>34,008</u>	<u>30,105</u>

Included in Other Debtors is an amount of £33,665 (2020 - £29,767) due from Anderston Trading Company Ltd.

### 12 Creditors: amounts falling due within one year

	<b>2021 £</b>	<b>2020 £</b>
Trade creditors	2,242	-
Accruals and deferred income	756	726
	<u>2,998</u>	<u>726</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.