

The Southdown Sheep Society
(A company limited by guarantee)

Annual report and financial statements
for the year ended 31 December 2012

Charity number: 266713

Company number: 00035585

robinson+co

Chartered Accountants

Gosforth

SATURDAY



A2EXNFBV

A39

17/08/2013

#84

COMPANIES HOUSE

**The Southdown Sheep Society
(A company limited by guarantee)**

Contents

	Page
Legal and administrative information	1 - 2
Annual report	3 - 4
Independent examiners' report	5
Statement of financial activities	6
Balance sheet	7 - 8
Notes to the financial statements	9 - 15
The following pages do not form part of the statutory accounts	
Detailed statement of financial activities	17-19

**The Southdown Sheep Society
(A company limited by guarantee)**

Legal and administrative information

Charity number	266713
Company registration number	00035585
Business address	Meens Farm, Capps Lane All Saints Halesworth Suffolk IP19 0PD
Registered office	Meens Farm, Capps Lane All Saints Halesworth Suffolk IP19 0PD
Council members	Alan Mummery Gareth Lloyd Hughes Alexandra Long Jonathan Long Adam Brown David Burden Paul Humphrey Irving Pallister Gail Sprake Anna Woollard Sidney J Cook Lindsay Dane Patrick Goldsworthy MBE Justin Harmer Stephen Humphrey Neil Stainthorpe
Secretary	Gail Sprake
Accountants	robinson+co The Old Forge Beck Place Gosforth Seascale CA20 1AT

**The Southdown Sheep Society
(A company limited by guarantee)**

Legal and administrative information

Bankers

NatWest Bank plc
81 High Street
Bedford
MK40 1YN

**The Southdown Sheep Society
(A company limited by guarantee)**

**Report of the council (incorporating the directors' report)
for the year ended 31 December 2012**

The Council present their report and the financial statements for the year ended 31 December 2012. The Council, who are also directors of The Southdown Sheep Society for the purposes of company law and who served during the year and up to the date of this report are set out on page 1.

Structure, governance and management

Governing document

The Southdown Sheep Society is constituted as a company limited by guarantee and is a registered charity. The charitable company is governed by its Memorandum and Articles of Association dated 6 January 1892.

Day to day management

The Society is managed by Mrs Gail Sprake.

Objectives and activities

Principal activity

The objects of the Society are the encouragement of the breeding of Southdown Sheep and the maintenance of the purity of the breed and to this purpose the compilation and publication of a flock book and the arrangement of shows and classes for which prizes may be donated or augmented.

The obligations of the members are to pay the Society an entrance fee and in the case of annual members an annual subscription according to the scale determined by the Council. The Society has declared that the number of members shall not exceed three hundred.

Public benefit

The Council 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 future activities. In particular, the Council consider how planned activities will contribute to the aims and objectives they have set.

Future strategy

The Society plans to continue the activities as authorised above in the forthcoming years subject to satisfactory funding arrangements.

Achievements and performance

This year the Society has continued to increase awareness of the Southdown Sheep breed as a whole and the maintenance of the purity of the breed. This has been achieved through the attendance at various shows and events and through the donation of prizes for top quality breeding. The Society has also published a flock book, breeders directory and assorted flyers to promote the breed in the year.

Financial review

Result for the year

The Society's overall surplus for the year is made up as follows:

General Accounts Surplus £591

The income of the Society is to be applied solely towards the promotion of the objects as stated and surplus for the year has been added from the accumulated fund which now stands as follows:

General Account £65,689

Risk management

The Council has assessed the major strategic, business and operational risks to which the Society is exposed. They are satisfied that systems are in place to mitigate the exposure to these risks.

**The Southdown Sheep Society
(A company limited by guarantee)**

**Report of the council (incorporating the directors' report)
for the year ended 31 December 2012**

Reserves policy

The Council has established a policy to maintain unrestricted funds which are free reserves of the charity at a level which equates to approximately twelve months unrestricted expenditure. This provides sufficient funds to cover management administration and support costs. The council consider that sufficient unrestricted resources are held.

Investment policy

The Council has considered the most appropriate policy for investing funds and has found that CCLA Investment Management Ltd COIF Charity Funds meet their requirements to general income.

Statement of Council responsibilities

The Council (who are also directors of The Southdown Sheep Society for the purpose of company law) is responsible for preparing the Council's Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the Council to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the trustees 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 charitable company will continue in operation.

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

Small company provisions

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

On behalf of the Council



Gail Sprake
Secretary

31 May 2013

**The Southdown Sheep Society
(A company limited by guarantee)**

Independent examiner's report to the trustees on the unaudited financial statements of The Southdown Sheep Society.

I report on the accounts of The Southdown Sheep Society for the year ended 31 December 2012 set out on pages 6 to 15

Respective responsibilities of trustees and independent examiner

The charity's Council members (who are also the directors of the company for purposes of company law) are responsible for the preparation of the accounts. The Council consider that an audit is not required for this year under section 144 of the Charities Act 2011 (the Act), and that an independent examination is needed. It is my responsibility to examine the accounts under section 145 of the Act, to follow the procedures laid down in the General Directions given by the Charity Commission under section 145(5)(b) of the Act, and to state whether particular matters have come to my attention.

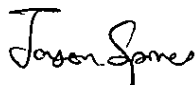
Basis of independent examiner's statement

My examination was carried out in accordance with the General Directions given by the Charity Commission. An examination includes a review of the accounting records kept by the charity and a comparison of the accounts presented with those records. It also includes consideration of any unusual items or disclosures in the accounts, and seeking explanations from you as trustees concerning any such matters. The procedures undertaken do not provide all the evidence that would be required in an audit and consequently no opinion is given as to whether the accounts present a 'true and fair view' and the report is limited to those matters set out in the statement below.

Independent examiner's statement

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

- (i) which gives me reasonable cause to believe that in any material respect the requirements
 - to keep proper accounting records in accordance with section 386 of the Companies Act 2006, and
 - to prepare accounts which accord with the accounting records, comply with the accounting requirements of section 396 of the Companies Act 2006 and with the methods and principles of the Statement of Recommended Practice: Accounting and Reporting by Charitieshave not been met, or
- (ii) to which, in my opinion, attention should be drawn in order to enable a proper understanding of the accounts to be reached



J Spires FCA DChA

Independent examiner

robinson+co
The Old Forge
Beck Place
Gosforth
CA20 1AT

31 May 2013

The Southdown Sheep Society
(A company limited by guarantee)

Statement of financial activities (incorporating the income and expenditure account)

For the year ended 31 December 2012

		Unrestricted funds	2012 Total	<i>Restated</i> 2011 Total
	Notes	£	£	£
Incoming resources				
Incoming resources from generating funds				
Voluntary income	2	10,033	10,033	12,314
Activities for generating funds	3	1,400	1,400	1,679
Investment income	4	873	873	709
Incoming resources from charitable activities	5	13,089	13,089	12,792
Total incoming resources		<u>25,395</u>	<u>25,395</u>	<u>27,494</u>
Resources expended				
Costs of generating funds				
Fundraising trading				
cost of goods sold and other costs	6	397	397	880
Charitable activities	7	22,485	22,485	20,942
Governance costs	9	1,922	1,922	1,959
Total resources expended		<u>24,804</u>	<u>24,804</u>	<u>23,781</u>
Net incoming resources for the year /				
Net income for the year		591	591	3,713
Total funds brought forward		<u>65,098</u>	<u>65,098</u>	<u>61,385</u>
Total funds carried forward		<u>65,689</u>	<u>65,689</u>	<u>65,098</u>

The statement of financial activities includes all gains and losses in the year and therefore a separate statement of total recognised gains and losses has not been prepared

All of the above amounts relate to continuing activities

The notes on pages 9 to 15 form an integral part of these financial statements.

The Southdown Sheep Society
(A company limited by guarantee)

Balance sheet
as at 31 December 2012

	Notes	£	2012	£	£	2011	£
Fixed assets							
Tangible assets	14			1,414			85
Investments	15			5,248			6,207
				<u>6,662</u>			<u>6,292</u>
Current assets							
Debtors	16	3,881			6,329		
Cash at bank and in hand		<u>62,109</u>			<u>57,643</u>		
		65,990			63,972		
Creditors: amounts falling due within one year	17	<u>(6,963)</u>			<u>(5,166)</u>		
Net current assets				59,027			58,806
Net assets				<u>65,689</u>			<u>65,098</u>
Funds	18						
Unrestricted income funds				<u>65,689</u>			<u>65,098</u>
Total funds				<u>65,689</u>			<u>65,098</u>

The Balance Sheet continues on the following page

The notes on pages 9 to 15 form an integral part of these financial statements.

**The Southdown Sheep Society
(A company limited by guarantee)**

Balance sheet (continued)

**Trustees statements required by the Companies Act 2006
for the year ended 31 December 2012**

In approving these financial statements as trustees of the company we hereby confirm

(a) that for the year stated above the company was entitled to the exemption conferred by section 477 of the Companies Act 2006 ,

(b) that no notice has been deposited at the registered office of the company pursuant to section 476 of the Companies Act 2006 requesting that an audit be conducted for the year ended 31 December 2012


(c) that we acknowledge our responsibilities for

(1) ensuring that the company keeps proper accounting records which comply with section 386 of the Companies Act 2006, and

(2) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the year then ended in accordance with the requirements of sections 394 and 395, and which otherwise comply with the provisions of the Companies Act relating to financial statements, so far as applicable to the company

These financial statements are prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies

The financial statements were approved by the board on 31 May 2013 and signed on its behalf by



**Gail Sprake
Secretary**

The notes on pages 9 to 15 form an integral part of these financial statements.

**The Southdown Sheep Society
(A company limited by guarantee)**

**Notes to financial statements
for the year ended 31 December 2012**

1. Accounting policies

The principal accounting policies are summarised below. The accounting policies have been applied consistently throughout the year and the preceding year.

1.1. Basis of accounting

The financial statements are prepared under the historical cost convention, except for investments which are included at market value, and in accordance with the Statement of Recommended Practice 'Accounting and Reporting by Charities' issued in March 2005 (SORP 2005) and the Companies Act 2006.

1.2. Cashflow

The charity has taken advantage of the exemption in FRS1 from the requirement to produce a cashflow statement because it is a small charity.

1.3. Incoming resources

All incoming resources are 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 and facilities are included at the value to the charity where this can be quantified. The value of services provided by volunteers has not been included.

Gifts donated for resale are included as incoming resources within activities for generating funds when they are sold.

Income from investments is included in the year in which it is receivable.

1.4. Resources expended

Expenditure is recognised on an accrual basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is reported as part of the expenditure to which it relates.

Costs of generating funds comprise the costs associated with attracting voluntary income and the costs of trading for fundraising purposes.

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.

Fundraising costs are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.

Support costs are those costs incurred directly in support of expenditure on the objects of the charity and include project management.

The Southdown Sheep Society
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 December 2012

1.5. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation is provided at rates calculated to write off the cost less residual value of each asset over its expected useful life, as follows

Plant and machinery	-	25% Reducing balance
Fixtures, fittings and equipment	-	25% Reducing balance

1.6. 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

2. Voluntary income

	Unrestricted funds £	2012 Total £	2011 Total £
Voluntary donations	330	330	744
Gift aid tax reclaimable	1,657	1,657	1,860
Subscriptions	8,046	8,046	9,710
	<u>10,033</u>	<u>10,033</u>	<u>12,314</u>

3. Activities for generating funds

	Unrestricted funds £	2012 Total £	<i>Restated</i> 2011 Total £
Merchandise sales	729	729	1,053
Headage charge	671	671	626
	<u>1,400</u>	<u>1,400</u>	<u>1,679</u>

4. Investment income

	Unrestricted funds £	2012 Total £	2011 Total £
Income from UK listed investments	403	403	403
Bank interest receivable	380	380	306
Interest from NSA loan	90	90	-
	<u>873</u>	<u>873</u>	<u>709</u>

The Southdown Sheep Society
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 December 2012

5. Incoming resources from charitable activities

	Unrestricted funds £	2012 Total £	2011 Total £
Ram entries	2,475	2,475	2,098
Ewe entries	5,206	5,206	4,581
Late ram entries	80	80	80
Late ewe entries	720	720	1,470
Pedigree certificate	495	495	512
Breeder list	1,426	1,426	760
Breeders directory adverts	1,570	1,570	2,600
Web adverts	75	75	51
Flock competition	300	300	290
Field day income	595	595	166
Field day raffle	147	147	184
	<u>13,089</u>	<u>13,089</u>	<u>12,792</u>

6. Fundraising trading

	Unrestricted funds £	2012 Total £	<i>Restated</i> 2011 Total £
Merchandise purchases	397	397	880
	<u>397</u>	<u>397</u>	<u>880</u>

7. Costs of charitable activities - by fund type

	Unrestricted funds £	2012 Total £	2011 Total £
General purposes	22,485	22,486	20,942
	<u>22,485</u>	<u>22,486</u>	<u>20,942</u>

The Southdown Sheep Society
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 December 2012

8. Costs of charitable activities - by activity

	Activities undertaken directly £	Support costs £	2012 Total £	2011 Total £
General purposes	21,183	1,302	22,485	20,942
	<u>21,183</u>	<u>1,302</u>	<u>22,485</u>	<u>20,942</u>

9. Governance costs

	Unrestricted funds £	2012 Total £	2011 Total £
Insurance	780	780	686
Accountancy fees	600	600	570
Legal fees	-	-	300
Trade subscriptions	107	107	105
Companies House annual return	14	14	14
Cost of trustees' meetings	421	421	284
	<u>1,922</u>	<u>1,922</u>	<u>1,959</u>

10. Analysis of support costs

	General purposes £	2012 Total £	2011 Total £
Communication and information technology	831	831	728
Depreciation and impairment	471	471	28
	<u>1,302</u>	<u>1,302</u>	<u>756</u>

11. Net incoming resources for the year

	2012 £	2011 £
Net incoming resources is stated after charging		
Depreciation and other amounts written off tangible fixed assets	471	28
Accountancy and Independent Examiner's fees	<u>600</u>	<u>570</u>

The Southdown Sheep Society
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 December 2012

12. Employees

Employment costs	2012	2011
	£	£
Wages and salaries	5,250	5,250

No employee received emoluments of more than £60,000 (2011 None)

Number of employees

The average monthly numbers of employees (including the trustees) during the year, calculated on the basis of full time equivalents, was as follows

	2012	2011
	Number	Number
Company secretary	1	1

During the year four Council members received £3,114, as re-imbursements for printing, postage and stationery, mileage expenses, field day catering, engraving, AGM expenses and website fees incurred privately

13. Taxation

The charity's activities fall within the exemptions afforded by the provisions of the Income and Corporation Taxes Act 1988. Accordingly, there is no taxation charge in these accounts

14. Tangible fixed assets

	Plant and machinery	Fixtures, fittings and equipment	2012
	£	£	Total
			£
Cost			
At 1 January 2012	1,126	-	1,126
Additions	-	1,800	1,800
At 31 December 2012	1,126	1,800	2,926
Depreciation			
At 1 January 2012	1,041	-	1,041
Charge for the year	21	450	471
At 31 December 2012	1,062	450	1,512
Net book values			
At 31 December 2012	64	1,350	1,414
At 31 December 2011	85	-	85

The Southdown Sheep Society
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 December 2012

15. Fixed asset investments

	Listed investments £	Total £
Valuation		
At 1 January 2012	6,207	6,207
Disposals	(959)	(959)
At 31 December 2012	<u>5,248</u>	<u>5,248</u>

All fixed asset investments are held within the United Kingdom

No historical cost data is available. The council considers that the cost of obtaining such information outweighs any benefit to members.

16. Debtors

	2012 £	2011 £
Trade debtors	3,881	4,329
Other debtors	-	2,000
	<u>3,881</u>	<u>6,329</u>

17. Creditors: amounts falling due within one year

	2012 £	2011 £
Accruals and deferred income	<u>6,963</u>	<u>5,166</u>

18. Analysis of net assets between funds

	Unrestricted funds £	Total funds £
Fund balances at 31 December 2012 as represented by		
Tangible fixed assets	1,414	1,414
Investment assets	5,247	5,247
Current assets	65,990	65,990
Current liabilities	(6,962)	(6,962)
	<u>65,689</u>	<u>65,689</u>

The Southdown Sheep Society
(A company limited by guarantee)

Notes to financial statements
for the year ended 31 December 2012

19. Unrestricted funds

	At 1 January 2012 £	Incoming resources £	Outgoing resources £	At 31 December 2012 £
General funds	<u>65,098</u>	<u>25,087</u>	<u>(24,496)</u>	<u>65,689</u>

20. Company limited by guarantee

The Southdown Sheep Society is a company limited by guarantee and accordingly does not have a share capital

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member

The Southdown Sheep Society
(A company limited by guarantee)

The following pages do not form part of the statutory accounts.

The Southdown Sheep Society
(A company limited by guarantee)

Detailed statement of financial activities

For the year ended 31 December 2012

	2012	2011
	£	£
Incoming resources		
Incoming resources from generating funds:		
<i>Voluntary income</i>		
Voluntary donations	330	744
Gift aid tax reclaimable	1,657	1,860
Subscriptions	8,046	9,710
	<u>10,033</u>	<u>12,314</u>
<i>Activities for generating funds</i>		
Merchandise sales	729	1,053
Headage charge	671	626
	<u>1,400</u>	<u>1,679</u>
<i>Investment income</i>		
Income from UK listed investments	403	403
Bank interest receivable	380	306
Interest from NSA loan	90	-
	<u>873</u>	<u>709</u>
Total incoming resources from generating funds	<u>12,306</u>	<u>14,702</u>
 Incoming resources from charitable activities		
Ram entries	2,475	2,098
Ewe entries	5,206	4,581
Late ram entries	80	80
Late ewe entries	720	1,470
Pedigree certificate	495	512
Breeder list	1,426	760
Breeders directory adverts	1,570	2,600
Web adverts	75	51
Flock competition	300	290
Field day income	595	166
Field day raffle	147	184
	<u>13,089</u>	<u>12,792</u>
Total incoming resources	<u><u>25,395</u></u>	<u><u>27,494</u></u>

**The Southdown Sheep Society
(A company limited by guarantee)**

Detailed statement of financial activities

For the year ended 31 December 2012

Resources expended

Costs of generating funds:

Fundraising trading:

cost of goods sold and other costs

Merchandise purchases

Merchandise purchases

397

880

397

880

Total fundraising trading

cost of goods sold and other costs

397

880

Total costs of generating funds

397

880

The Southdown Sheep Society
(A company limited by guarantee)

Detailed statement of financial activities

For the year ended 31 December 2012

	2012 £	2011 £
Charitable activities		
General purposes		
<i>Activities undertaken directly</i>		
Prizes and engraving	813	621
Show expenses	2,092	1,528
Flock book printing	2,100	2,175
Breeder's directory	2,280	1,953
Newsletter printing	1,260	1,624
Veterinary fees	309	-
Secretary's salary	5,250	5,250
Repairs and renewals	377	586
Advertising	1,392	543
Marketing and publishing	1,045	1,581
Website fee	591	397
Motor & travel expenses	873	960
Printing, postage and stationery	2,803	2,968
Sundry	2	
	<hr/> 21,183	<hr/> 20,186
<i>Support costs</i>		
Telephone charges	831	728
Depreciation & impairment	471	28
	<hr/> 1,302	<hr/> 756
General purposes total expenditure	<hr/> 22,485	<hr/> 20,942
Total charitable activity expenditure	<hr/> 22,485	<hr/> 20,942
Governance costs		
<i>Activities undertaken directly</i>		
Insurance	780	686
Accountancy fees	600	570
Legal fees	-	300
Trade subscriptions	107	105
Companies House annual return	14	14
Cost of trustees' meetings	421	284
	<hr/> 1,922	<hr/> 1,959
Total governance costs	<hr/> 1,922	<hr/> 1,959
Net incoming/(outgoing) resources for the year	<hr/> 591	<hr/> 3,713