

COMPANY REGISTRATION NUMBER: SC219601
CHARITY REGISTRATION NUMBER: SC022355

Black Isle Farmers' Society
Company Limited by Guarantee
Unaudited Financial Statements
31 December 2020

FKF ACCOUNTING LIMITED

Chartered accountants
Metropolitan House
31-33 High Street
Inverness
IV1 1HT

Black Isle Farmers' Society

Company Limited by Guarantee

Trustees' Annual Report (Incorporating the Director's Report)

Year ended 31 December 2020

The trustees, who are also the directors for the purposes of company law, present their report and the unaudited financial statements of the charity for the year ended 31 December 2020.

Reference and administrative details

Registered charity name Black Isle Farmers' Society

Charity registration number SC022355

Company registration number SC219601

Principal office and registered office Metropolitan House
31-33 High Street
Inverness
IV1 1HT

The trustees

D S Macleod
D M Fraser
A D Gammie
I McCallum
F McKenzie
D J S Mackenzie
A Grant (Resigned 15 January 2020)
T Henderson (Appointed 11 March 2020)
D Mackenzie (Appointed 11 March 2020)
B D Macleod (Appointed 11 March 2020)

Company secretary R T Mackenzie (Resigned 31 August 2020)

Independent examiner Jillian Munro MA CA

Structure, governance and management

Governing Document

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

Recruitment and Appointment of Trustees

The trustees are elected by the members of the General Committee, which numbers 65 people. The trustees serve a term which is set down at number 51 in the Articles of Association. At General Committee meetings there are around 30 members present.

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Year ended 31 December 2020

Structure, governance and management *(continued)*

Trustees serve on the General Committee for a number of years to familiarise themselves as to the running of the charity. When a candidate shows aptitude and is willing to serve as a trustee then they are proposed at the Annual General Meeting to the post of Junior Vice President which is the first "rung" of the management ladder.

The board of trustees, which has 9 members, administers the charity. The board meets regularly as and when required. There are sub-committees covering ploughing match, horse, livestock, capital improvements, showground etc. A management consultant and specialist in organisational operations (Rod Mackenzie Special Services)(RMSS) had been appointed by the trustees on a year to year basis to manage the day to day operations of the charity. To facilitate effective operations, the firm of RMSS had delegated authority, within terms of delegation approved by the trustees, for operational matters including finance, engagement of contractors and services supplied to the charity until their resignation in August 2020. Following this date and due to Covid 19 restrictions a replacement has not been appointed but the administration and book-keeping of the charity has been taken in-house via the employment of a suitable person.

Risk Management

The trustees have a risk management strategy which comprises:-

- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This work has identified only a few minor new risks but it has resulted in better emergency procedures and contingency plans and has given the impetus for better planning. Particular attention has focused on non-financial risks arising from fire, health and safety of the public at the Black Isle Show with the appointment of a Health and Safety specialist firm who provide the expertise in this field. A key element in the management of financial risk is the setting of a reserves policy and its regular review by trustees. The main risk to the charity has always been the potential cancellation of the Black Isle Show at the last minute due to circumstances outwith the control of the trustees such as weather, outbreak of disease, natural disasters etc, when all the services have been engaged and paid for and no refunds can be obtained. This amount was previously estimated at around £170,000 and is constantly under review which has helped the trustees minimise the position they found themselves in during this financial year when Covid 19 forced the cancellation of the show in August 2020.

Related Parties

Rod Mackenzie Special Services (RMSS Highland Ltd) had the contract from the charity for running all the administration aspects of the charity until 31 August 2020. RMSS is under the ownership of Rod Mackenzie.

Objectives and activities

Black Isle Farmers exists to promote the interests of farming, agriculture and the countryside to the general public with the main medium for this being the annual Black Isle Show, held on its purpose-built permanent site at Mannsfield, Muir of Ord on the first Thursday in August each year.

Other annual events normally include; a ploughing match held on Black Isle farms on the first Saturday of February; a barbeque on the first Saturday of July; a trophy presentation, dinner and dance at the start of November; a dinner for Past Presidents and General Committee members in December. All of these events with the exception of the ploughing match were cancelled in the current financial year.

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Year ended 31 December 2020

Objectives and activities *(continued)*

In addition, many members of the Society contribute their time, experience and expertise in educating primary school children in conjunction with RHET (Royal Highland Education Trust) through visits to local schools and more notably since 2009 the Society hosted an event in June where around 300 children visit Mannsfield Showground and are shown all aspects of modern farming practices by means of practical demonstrations given by Society members.

Since 2014 this event has grown due to its popularity and now takes place over two consecutive days in late May/early June but again had to be cancelled in 2020.

During the annual Black Isle Show the General Committee members, volunteers and Trustees undertake an education and advisory role where they are clearly identifiable to the public.

The charity will continue to make contributions to the work of educational trusts such as the Northern Countryside Initiative, RHET (Royal Highland Educational Trust) etc where their work and objectives are similar to that of the Black Isle Farmers' Society.

The Trustees inaugurated a Bursary Scheme in 2014 which is available to students and young people from the Highlands and Islands to study and gain qualifications in a rural or agriculturally related subject. Practical and vocational courses are also considered for an award from this fund. The Bursary Scheme paid out £0 in 2020 (approx. £4,750 in 2019) but the Trustees have since the year end met and agreed that there will be a distribution of funds in 2021 to encourage and help students and young people in these difficult times.

The policy of the General Committee and the Trustees is to improve for the benefit of the visiting public the facilities available to them on the permanent show-field at Mannsfield. This programme of capital investment has amounted to over £1,600,000 in the last 16 years viz - building 3 permanent toilet blocks, tarring all the previously metalled roadways, building 7 purpose built sheds to offset the rising annual costs of marquee hire, building permanent pay-booths, purchasing and upgrading cattle and sheep gates, installation of permanent electricity supplies, installation of solar panels and many more capital items to make the Society more self-sufficient and help with future proofing against rising costs.

Contribution made by Volunteers

There are many volunteers, members of the Society, General Committee members, Trustees and others who give freely of their time to run the activities of the charity. The time and expertise, which they freely give, benefits the charity financially and this allows the charity to achieve a surplus which can then be spent on achieving its objectives. In 2019 the contribution made by these volunteers to the many projects undertaken has been estimated in terms of costs saved of around £60,000 in terms of time given, expertise and machinery and equipment contributions. It is anticipated that this level of contribution will be seen again when we are once again able to run a show.

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Year ended 31 December 2020

Achievements and performance

As previously mentioned the charity has improved its facilities greatly over the last 16 years. These improvements have added to the enjoyment of the annual Black Isle Show by the general public and to ensure their continued attendance. In this current year there has been no capital expenditure but there is always ongoing maintenance and repairs which has to be undertaken to ensure that the condition of existing capital equipment is kept at a high standard for future years.

Financial review

Reserves policy

The trustees constantly monitor the cash reserves and have agreed that this figure should not fall below £170,000. This is the amount of money that the trustees estimated it would cost in unrecoverable fees and services if the Black Isle Show had to be cancelled for any unforeseen circumstances in the lead up before the show. Due to Covid 19 this was actually the case with the August 2020 show being cancelled and it is pleasing to note that due to strict cost controls the actual net cost in the year was £117,367, substantially lower than estimated for such an event happening. The present level of undesignated unrestricted reserves available to the charity are £749,207 which includes tangible fixed assets to a value of £524,642. This leaves liquid reserves of £224,565 at 31 December 2020.

Plans for future periods

The trustees have been committed to an ongoing programme of capital improvements and investment in the showground facilities during the previous 16 years and it is hoped that normal times will return in 2021 and these plans can be reviewed and programmed into the next few years as previously planned.

The Society has invested in dedicated livestock exhibition sheds and this has attracted cattle and sheep breed societies' "national shows" - Cattle breeds -Limousin, Aberdeen Angus, Highland and Simmental. Charolais in 2017; and Highland in 2018. Sheep breeds - North Country Cheviot, Zwartbles, Jacob, Blue Faced Leicester and Beltex. The building of these facilities has helped to at least maintain cattle numbers coming forward to the Show but specifically has helped to increase numbers of sheep entered.

For 2018 the committee agreed that the Society should have a local cattle class thereby encouraging competitors who are local Society members. In 2019 the Society once again held a "Tractor Pull" competition on the Wednesday evening prior to the Show hopefully attracting teams of 5 people from local charities and volunteer groups and the Society has put up a prize pot to the winners.

Whilst it has been necessary to again cancel the show in August 2021 the work behind the scenes is continuing at the usual pace to ensure a healthy return to as many activities as possible in 2022.

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Trustees' Annual Report (Incorporating the Director's Report) *(continued)*

Year ended 31 December 2020

Plans for future periods *(continued)*

The trustees continued to maintain a close watch on costs and income streams and trends during 2020 and into 2021.

Statement of trustee's responsibilities

The trustees (who are also directors of Black Isle Farmers' Society for the purpose of company law) are responsible for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

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 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 trustees are 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.

Events after the end of the reporting period

Particulars of events after the reporting date are detailed in note 24 to the financial statements.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

The trustees' annual report was approved on _____ and signed on behalf of the board of trustees by:

F McKenzie
Trustee

Black Isle Farmers' Society

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Statement of Financial Position

Year ended 31 December 2020

	2020	2019
	£	£
Fixed assets		
Tangible fixed assets	631,790	701,701
Investments	<u>120,688</u>	<u>121,876</u>
	752,478	823,577
Current assets		
Stocks	1,490	1,490
Debtors	–	7,582
Cash at bank and in hand	<u>152,213</u>	<u>152,983</u>
	153,703	162,055
Creditors: amounts falling due within one year	<u>49,826</u>	<u>11,910</u>
Net current assets	<u>103,877</u>	<u>150,145</u>
Total assets less current liabilities	<u>856,355</u>	<u>973,722</u>
Funds of the charity		
Restricted funds	107,148	115,653
Unrestricted funds	<u>749,207</u>	<u>858,069</u>
Total charity funds	<u>856,355</u>	<u>973,722</u>

For the year ending 31 December 2020 the charity was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

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

These financial statements were approved by the board of trustees and authorised for issue on _____, and are signed on behalf of the board by:

A D Gammie
Trustee

Black Isle Farmers' Society
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Detailed Statement of Financial Activities
Year ended 31 December 2020

	2020	2019
	£	£
Income and endowments		
Donations and legacies		
LEADER Grant	–	75,817
Memberships and subscriptions	2,445	3,123
	<u>2,445</u>	<u>78,940</u>
Charitable activities		
Trophy dinner	–	2,227
Barbecue	–	925
Presidents Dinner	–	674
Ploughing match	6,607	6,408
Show admission charges	–	115,468
Trade stands	–	166,577
Show entry fees	–	8,954
Catalogues	–	7,722
Show day lunches and dance	–	755
Wednesday admission	–	17,379
Bar Sales	–	29,066
Sponsorship	10	7,160
	<u>6,617</u>	<u>363,315</u>
Investment income		
Investment income	1,203	1,710
Bank interest receivable	38	–
	<u>1,241</u>	<u>1,710</u>
Other income		
Sundry income	–	235
Rental and hire	3,795	20,411
Solar feed in tariff	–	2,957
	<u>3,795</u>	<u>23,603</u>
Total income	<u>14,098</u>	<u>467,568</u>

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Detailed Statement of Financial Activities *(continued)*

Year ended 31 December 2020

Expenditure

Expenditure on charitable activities

Rent	716	13,776
Advertising	–	7,974
Light and heat	777	8,611
Repairs and maintenance	2,088	3,688
Insurance	6,795	6,503
Other establishment	2,526	3,477
Motor vehicle expenses	4,723	9,174
Legal and professional fees	3,506	2,442
Telephone	2,747	4,554
Depreciation	69,131	69,342
Presidents dinner	–	704
Ploughing match	3,335	5,434
Showground contractors	–	103,692
Trophy Dinner	–	2,287
Show attractions	600	24,990
Prize Money	–	27,113
Judge expenses	100	7,717
Donations and subscriptions	273	1,320
Policing and other related services	(5,900)	22,867
Catalogues	–	5,090
Trophies, rosettes and engraving	–	10,666
General show expenses	2,508	15,320
Car park fees	1,080	1,350
Honorarium	–	2,250
Hire of grandstand	–	1,896
Administration	33,739	55,000
Training	–	1,030
Bar costs	–	20,173
Bursary	300	4,020
Bank charges	–	312
	<u>129,044</u>	<u>442,772</u>

Other expenditure

Gain/Loss on disposal of tangible fixed assets	30	–
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Total expenditure

129,074 442,772

Net (losses)/gains on investments

Gains/(losses) on listed investments	<u>2,391</u>	<u>(11,860)</u>
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Net (expenditure)/income

(117,367) 36,656
