

Charity Number: SC016869
Company Number: SC214525

Border Union Agricultural Society
Management Accounts
for the year ended 30th September 2019



Border Union Agricultural Society Limited

Review of the accounts for the year to 30th September 2019

Whilst no loss is acceptable, we are pleased to have achieved, at £22,900, a loss more than half that of the previous year's deficit and this after an increased depreciation charge of £8,300. Tribute must be paid to the army of unpaid volunteers who support the society and without whom the core events simply could not happen.

It is pleasing to report that the support of the membership has remained consistent. On the face of the accounts the membership looks to have risen however it does include three life memberships in the year. It was also reassuring to see the income from Border Union Limited (BEC) increasing, even although BEC did have a significant increase in additional direct costs allocated within the BEC accounts. This includes a part-time staff resource who is charged with increasing revenues from letting of the land and buildings. Miscellaneous income was artificially high in 17/18 because of the celebratory AGM and has increased further in 18/19 through new fund-raising events and grant income.

After seeing an increase in the admission income for the Show on Friday it was disappointing to watch Saturday's deluge knowing that there would be an inevitable drop in admissions. The overall drop, compared to 2018, was circa £15,000 which was also weather impacted, and nearer £25,000 when measured against the average of the last few years. It was, however, reassuring to see that the income from entry fees, sponsorship and trade stands had increased by £10,000, collectively, indicating that the Show remains a popular event. As expected, the catering concessions revenue under the Show Miscellaneous income fell by £2,000. Overall the show income was only £6,000 down on the previous year.

The ram sales income is based on the number of tups that are sold and if one excludes the two lines for these elements the other general income is broadly £32,000 in each of the last three years.

Despite the challenges around falling entry numbers the Dog Show income is only down by £4,000.

Turning now to expenditure where we can see an increase of £13,000 in salaries this year. Alterations to staffing levels were made so that the build-up process for the core events could be dealt with in-house rather than by contractors resulting in savings on the core events specific costs. This saving provided the funding for an additional resource in the form of one full-time equivalent member of staff who is available all the year round. The necessary maintenance of the buildings, ground and equipment has remained at its traditional average cost, but Depreciation has increased by £8,300 as a result of the various capital works that have been carried out. In order to finance these capital projects a bank loan was taken out. Interest has risen as a result of the new loan and also the bank charge relating to the new loan has added £3,000 on to bank charges - a one-off cost. Schools Day costs were reduced because the event management was all in-house in 2019. Within office costs is the telephone charge and last year there was a provision of £1,800 for broadband costs which have ultimately been capitalised as part of the project to provide coverage in the showground.

Miscellaneous costs have significantly reduced from the artificially high figure in 2018 and returned to the 2017 level. In 2018 there was, an extended Annual General Meeting plus the biennial long service lunch with collective additional costs of about £10,000. Health and Safety at £4,000 is also now a significant cost for the charity as it complies with necessary regulations. The costs for the events have been well controlled and we can see savings in the Show set-up costs of £10,000 which is mainly down to using in-house staff and less contractors along with a saving in canvas costs. There has also been a determined effort to try to reduce the overall Show costs, where possible, and this is reflected in a reduction of £20,000. The Ram Sales costs are broadly fixed at around £22,000 apart from the set up. By using the in-house labour, rather than a contractor, the set-up cost has been reduced. The Dog Show costs are well controlled and reduced by £6,000 mainly because of fewer entries and resulting lower set up costs.

On the balance sheet we can see that there has been investment in fixed assets of around £58,000. The old toilets have been refurbished at a cost of £26,000 and a further £32,000 spent on other assets which include the WIFI data circuit, website design and development, IT equipment, a replacement boiler and new flooring and heating. To fund these works a new bank loan was taken out for £100,000, of which, £8,374 is due to be repaid in the coming twelve months and £86,232 in periods after twelve months.

Restricted Legacy fund - the listed investments managed by Smith and Williamson are specific to the legacy fund. They are shown at market value at 30th September 2019 and along with the sums in the legacy bank account equate to the £150,000 which is the sum in the legacy fund that you see towards the end of the balance sheet. The legacy fund is restricted for the specific purpose for which it was inaugurated. This year the fund received income of £4,609 from dividends and interest but paid out £956 for professional management fees and £1,350 as bursary awards. Surplus liquid funds of £10,000 had been moved from the legacy bank account to the stockbrokers.

The creditors and debtors were in line with previous years however the VAT liability had decreased because the amount of output tax was reduced due to lower entries at the Dog Show and income from the show admissions.

While it is disappointing to report a loss for the year it is pleasing to report an improvement in the cash position of the society during the year. This at a time when investment has been made in IT systems including connectivity and Websites, as well as infrastructure projects within the Springwood facilities. The society is now well invested for the foreseeable future and our budget for 2019/20 projects a positive outcome. There is a risk that some of the core events may provide a diminishing return in the future, therefore BEC will continue to be developed to gain more events and income and promote the site and its enhanced facilities.

Robert Dick - Chair of the Board of Trustees

Border Union Agricultural Society

Detailed Income and Expenditure Account

	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>General expenditure and charges</u>			
Salaries, NIC, etc..	£ 143,465	£ 157,584	£ 170,146
Rates on ground and buildings	11,713	12,242	12,278
Light and heat	17,357	23,470	16,302
Maintenance on ground, buildings and fittings	40,436	35,428	38,238
General insurance	11,591	11,709	11,088
Bank interest paid	1,148	1,625	921
Bank loan interest	-	-	2,859
Bank charges	2,285	2,411	5,149
Hire purchase interest	844	512	-
Legal fees	2,366	4,363	2,361
Audit fee	7,355	8,575	9,040
School's day costs	22,228	28,548	21,605
Other office expenses	18,703	20,122	16,721
Depreciation on ground, buildings and fittings	75,488	75,291	83,578
Health and safety	1,000	924	4,095
Miscellaneous	7,296	16,941	7,375
Donations	840	40	40
	<u>£ 364,115</u>	<u>£ 399,785</u>	<u>£ 401,796</u>
<u>Show expenditure</u>			
Prizes	£ 14,507	£ 15,324	£ 13,269
Printing, stationery and advertising	14,041	15,189	12,298
Hire of marquees and fitting up showground, etc	55,241	69,158	57,484
Catering, judges expenses, etc	14,078	16,615	16,140
Entertainment	10,135	13,180	11,500
Miscellaneous	9,049	13,055	12,979
Security	11,177	12,719	11,868
Dance	-	8,688	6,294
	<u>£ 128,228</u>	<u>£ 163,928</u>	<u>£ 141,832</u>
<u>Ram sale expenditure</u>			
Printing, stationery and advertising	£ 7,076	£ 7,475	£ 7,856
Hire of marquees and fitting up showground, etc	72,116	75,524	63,497
Tup taxis	8,060	8,266	8,406
Miscellaneous	7,716	7,906	6,977
	<u>£ 94,968</u>	<u>£ 99,171</u>	<u>£ 86,736</u>
<u>Dog show expenditure</u>			
Prizes	£ 1,440	£ 1,530	£ 1,415
Printing, stationery and advertising	20,494	20,361	20,488
Hire of marquees and fitting up showground, etc	48,701	53,531	50,360
Hire of dog benching	18,127	17,879	17,302
Catering, judges expenses, etc	13,842	14,178	12,334
Honorarium	3,735	3,828	3,923
Miscellaneous	5,270	5,192	4,409
	<u>£ 111,609</u>	<u>£ 116,499</u>	<u>£ 110,231</u>
Total expenditure	£ 698,920	£ 779,383	£ 740,595
Surplus for year	14,439	-	-
	<u>£ 713,359</u>	<u>£ 779,383</u>	<u>£ 740,595</u>

Border Union Agricultural Society

for the year ended 30th September 2019

	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>General income</u>			
Members subscriptions	£ 28,174	£ 24,100	£ 26,375
Service charge - Border Union Limited	88,500	95,500	100,000
Miscellaneous	1,146	3,570	5,718
School's day funding	25,850	27,575	26,355
Bi-centenary	(1,085)	(1,620)	-
Investment income	27	16	58
Capital grant reserve written off	36,201	36,201	36,201
Members contributions written off	1,627	1,627	1,627
	<u>£ 180,440</u>	<u>£ 186,969</u>	<u>£ 196,334</u>
<u>Show income</u>			
Admission including car parks	£ 108,278	£ 94,408	£ 79,539
Entry fees	8,540	7,882	10,865
Sponsorship and donations	12,535	16,997	22,891
Catalogues sold	2,236	1,973	1,424
Trade stands	72,430	73,428	74,693
Advertising/banners	4,760	4,870	3,945
Dance	-	9,923	11,744
Miscellaneous	12,353	13,829	11,993
	<u>£ 221,132</u>	<u>£ 223,310</u>	<u>£ 217,094</u>
<u>Ram sale income</u>			
Sponsorship	£ 10,750	£ 11,000	£ 9,000
Entry and auctioneers fees	125,939	129,320	124,438
Buyers commission	4,454	4,389	6,314
Catalogues sold	4,963	3,815	4,211
Trade stands	9,718	9,562	9,397
Advertising	1,120	630	1,560
Miscellaneous	6,364	6,629	7,101
	<u>£ 163,308</u>	<u>£ 165,345</u>	<u>£ 162,021</u>
<u>Dog show income</u>			
Sponsorship	£ 1,110	£ 1,310	£ 1,655
Admission including car parks	11,717	11,121	12,393
Entry fees	114,802	112,982	108,408
Catalogues sold	7,235	7,097	6,910
Trade stands	13,137	12,402	11,866
Miscellaneous	478	1,150	1,014
	<u>£ 148,479</u>	<u>£ 146,062</u>	<u>£ 142,246</u>
Total income	£ 713,359	£ 721,686	£ 717,695
Deficit for year	-	57,697	22,900
	<u>£ 713,359</u>	<u>£ 779,383</u>	<u>£ 740,595</u>

Balance Sheet as at 30th September 2019

	<u>2017</u>	<u>2018</u>	<u>2019</u>
<u>Fixed Assets</u>			
Showground and car park	£ 8,210	£ 8,210	£ 8,210
Buildings, etc	392,947	328,229	286,986
Fittings, etc	41,754	47,851	63,277
	<u>£ 442,911</u>	<u>£ 384,290</u>	<u>£ 358,473</u>
<u>Current Assets</u>			
Cash on hand	£ 375	£ 379	£ 1,357
Sundry debtors	117,872	140,846	146,845
Current account	39,233	87,401	130,943
Legacy fund bank account	33,269	29,381	15,173
Listed investments	114,530	120,570	135,492
BMR share	1	1	1
Border Union Ltd share	1	1	1
Stocks	7,507	5,836	5,505
	<u>£ 312,788</u>	<u>£ 384,415</u>	<u>£ 435,317</u>
<u>Creditors: Amounts Falling Due Within One Year</u>			
Sundry creditors and accrued charges	£ 33,704	£ 122,941	£ 130,684
VAT due to HMRC	33,591	45,405	34,311
Bank loan	-	-	8,374
Inter company account	84,014	96,122	86,675
Hire purchase creditors	3,642	-	-
	<u>£ 154,951</u>	<u>£ 264,468</u>	<u>£ 260,044</u>
<u>Net Current Assets</u>	157,837	119,947	175,273
<u>Total Assets Less Current Liabilities</u>	600,748	504,237	533,746
<u>Creditors: Amounts Falling Due After One Year</u>			
Bank loan	-	-	£ (86,232)
<u>Accrual and Deferred Income</u>			
Capital grants	£ (186,599)	£ (150,398)	£ (114,197)
Legacy fund donations	(147,940)	(146,954)	(150,959)
<u>Net Assets</u>	<u>£ 266,209</u>	<u>£ 206,885</u>	<u>£ 182,358</u>
<u>Capital Account</u>			
General			
Balance as at 1st October 2018			£ 201,327
Deficit			<u>(22,900)</u>
Balance as at 30th September 2019	£ 259,024	£ 201,327	178,427
Members contribution for development	32,549	32,549	32,549
Added	-	-	-
Less written off	(25,364)	(26,991)	(28,618)
	<u>£ 266,209</u>	<u>£ 206,885</u>	<u>£ 182,358</u>

Note:

The figures contained in these Accounts have been extracted from the draft Annual Report and Financial Statements of the Society for the year ended 30th September 2019. These figures are provided for information purposes only and do not form part of the statutory Accounts.

Copies of the full Annual Report and Financial Statements can be obtained after the Annual General Meeting from the Secretary.

Rennie Welch Audit Limited, Registered Auditors, Kelso, 25th November 2019.

Schedules

Showground and Car Park

Cost Price (Less Sale 1969/70 £90)	5,990
Voluntary Registration of Title	2,220
	8,210

<u>Buildings, etc.</u>		<u>Cost</u>	<u>Agg. Dep'n to 30/09/18</u>	<u>Sold</u>	<u>Profit/ Loss on Sale</u>	<u>Depreciation chg for year</u>	<u>W.D.V. at 30/09/2019</u>
Previous Improvements		172,726	172,726	-	-	-	-
Development Costs	2000 5%	5,700	4,845	-	-	285	570
Development Costs	2001 5%	37,906	32,217	-	-	1,896	3,793
Development Costs	2002 5%	226,926	192,884	-	-	11,347	22,695
Development Costs	2003 5%	591,443	473,153	-	-	29,572	88,718
Development Costs	2004 5%	34,648	25,982	-	-	1,733	6,933
Development Costs	2005 5%	140,842	98,588	-	-	7,042	35,212
Development Costs	2006 5%	96,541	62,749	-	-	4,827	28,965
Development Costs	2007 5%	27,548	16,524	-	-	1,378	9,646
Development Costs	2010 5%	82,315	37,044	-	-	4,116	41,155
Development Costs	2011 5%	11,892	4,760	-	-	595	6,537
Development Costs	2012 5%	2,443	854	-	-	122	1,467
Development Costs	2013 5%	3,508	1,050	-	-	175	2,283
Development Costs	2014 5%	6,046	1,515	-	-	303	4,228
Development Costs	2015 5%	5,009	1,001	-	-	250	3,758
Development Costs	2017 10%	10,784	2,156	-	-	1,078	7,550
Development Costs	2019 10%	26,084	-	-	-	2,608	23,476
		1,482,362	1,128,049	-	-	67,327	286,986

<u>Fittings</u>		<u>Cost</u>	<u>Agg. Dep'n to 30/09/18</u>	<u>Sold</u>	<u>Profit/ Loss on Sale</u>	<u>Depreciation chg for year</u>	<u>W.D.V. at 30/09/2019</u>
Showfield Fittings		178,617	178,617	-	-	-	-
Showfield Fittings	2010 10%	180	162	-	-	18	-
Showfield Fittings	2011 10%	3,290	2,633	-	-	329	328
Showfield Fittings	2012 10%	475	334	-	-	47	94
Showfield Fittings	2013 10%	29,470	17,682	-	-	2,947	8,841
Showfield Fittings	2014 10%	2,627	1,312	-	-	263	1,052
Showfield Fittings	2015 10%	12,540	5,016	-	-	1,254	6,270
Showfield Fittings	2016 10%	2,315	696	-	-	232	1,387
Showfield Fittings	2017 10%	2,843	569	-	-	284	1,990
Showfield Fittings	2018 10%	16,670	797	-	-	1,667	14,206
Showfield Fittings	2019 10%	11,681	-	-	-	1,168	10,513
Office Fittings		31,832	31,832	-	-	-	-
Office Fittings	2011 10%	375	299	-	-	38	38
Office Fittings	2013 10%	375	227	-	-	37	111
Office Fittings	2014 10%	905	450	-	-	91	364
Office Fittings	2016 10%	7,920	2,376	-	-	792	4,752
Office Fittings	2017 33%	1,257	838	-	-	419	-
Office Fittings	2019 33%	19,996	-	-	-	6,665	13,331
		323,369	243,841	-	-	16,251	63,277

	<u>2017</u>	<u>2018</u>	<u>2019</u>
Misc	-£ 183,675	-£ 212,816	-£ 205,462
Show	£ 92,904	£ 59,382	£ 75,262
Ram Sales	£ 68,340	£ 66,174	£ 75,285
Dog Show	£ 36,870	£ 29,563	£ 32,015