

**SHORTHORN SOCIETY OF THE UNITED KINGDOM
OF GREAT BRITAIN AND IRELAND**

(Company limited by guarantee and not having a share capital)

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 DECEMBER 2020

**SHORTHORN SOCIETY OF THE UNITED KINGDOM
OF GREAT BRITAIN AND IRELAND**

**REPORT OF THE DIRECTORS AND TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

The Trustees present their report and the financial statements of the charity for the year ended 31st December 2020. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" in preparing the annual report and financial statements of the charity.

The financial statements have been prepared in accordance with the Charities Act 2011 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 published in October 2019.

Reference and administration information

Charity name:	Shorthorn Society of the United Kingdom of Great Britain and Ireland
Charity registration number:	213216
Company registration number:	9597
Registered office and Operational address:	Society Pavilion Avenue M Stoneleigh Park Kenilworth Warwickshire CV8 2RG

Directors / Trustees

P Armstrong	appointed 27.7.20
I R G Collins	
D H Craig	
Mrs E A E Davies	
J R Fisher	
G James	
R G Kite	
D Madeley	
G A Madeley	resigned 27.7.20
N Madeley	
Miss F Mannerings	
R S T Morgan	
T C Moscrop	appointed 27.7.20
J R Osborne	appointed 27.7.20
W H Rawlins	resigned 27.7.20
A Reilly	appointed 27.7.20
J E Robinson	
A G Rothen	
S Royle	
Mrs S H M Slade	
S V B Thomas	
D Wainwright	
A H J Whittle	
D Winnington	
J P Wyatt	
Mrs W A Young	

President

S V B Thomas

**SHORTHORN SOCIETY OF THE UNITED KINGDOM
OF GREAT BRITAIN AND IRELAND**

**REPORT OF THE DIRECTORS AND TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

Company Secretary

Mrs R E Rimmer

Independent examiner

Richard Miller MA (Oxon) FCA, Dafferns LLP, Chartered Accountants, One Eastwood, Harry Weston Road, Binley Business Park, Coventry, CV3 2UB.

Bankers

HSBC Bank plc. Coventry

Activities and charitable objects

The principal activity and charitable objects of the Society are to encourage, promote and improve the breeding of Shorthorn cattle in the United Kingdom of Great Britain and Ireland, or elsewhere, and to compile and maintain a Herd Book of recognised and pure-bred Shorthorn cattle.

Public benefit

The trustees consider they have complied with their duty to have due regard to the guidance on public benefit, as published by the Charity Commission, in exercising their powers and duties.

Achievements and performance

Future focus on the dairy industry is very much based on sustainability. The current Basic Payment farm subsidy scheme is being phased out, to be replaced by the Environmental Land Management Schemes (ELMS). In future to receive subsidy farmers will need to have agreements in place meeting environmental targets.

There will be pressure on intensive Dairy enterprises, and it's likely that grazing based systems will benefit from these new environmental agreements, therefore the Dairy Shorthorn as a native breed is well placed for grazing based systems and has experienced a resurgence in popularity in 2020. Subsequently the Society has benefited with an increase in membership and an increase in registrations in the last 12 months. The Society continuously looks for opportunities to increase registrations, again this year the subsidiary company Shorthorn Sires UK Ltd has had another increase in Shorthorn Semen sales which will in turn bring more registrations. TB continues to blight many Dairy farmers throughout the country, and Brexit regulations will have a detrimental effect on Irish registrations.

Society expenses have been reduced dramatically compared to the previous year, this is due to a number of factors but mainly the COVID pandemic and the subsequent lockdown that resulted in all the agricultural shows normally attended being cancelled, re-negotiation of running costs are also kept under review. Society Staff currently comprises of an Office Administrator, Part time Bookkeeper/Breed Secretary, Part time Field Officer, and Part time Publicity Officer. There were odd one-off costs in this financial year due to office move and relinquishing the old office. Investments have remained stable, with no growth in 2020 due to COVID and Brexit causing uncertainties in the financial markets.

Promotion of the Breed continued, even though shows were cancelled. The Society produced a new semen brochure and newsletter to send to members and previous semen customers, these received a very positive response. Advertising in national farming press and the publication of a number of editorials has been used. Social Media has had a very important role to play during lockdown in 2020, constantly promoting the breed and supporting campaigns like Februdairy and 24 Hours in Farming, encouraging member participation.

SHORTHORN SOCIETY OF THE UNITED KINGDOM OF GREAT BRITAIN AND IRELAND

REPORT OF THE DIRECTORS AND TRUSTEES FOR THE YEAR ENDED 31 DECEMBER 2020

Achievements and performance

Livestock marketing was able to continue and there were several successful Society supported Shorthorn sales during the year.

In 2020 a shorthorn member breeder for the first time in any dairy breed or any country, had a dam and daughter duo classified at EX-97 a huge achievement for the breed.

2020 also saw the launch of the All Britain Photographic competition which was a huge success and a good base to build from and encouraged member participation in voting for the champions in each category.

The Breed Secretary and Field officer have had a number of virtual meetings to build up links that will help progress the Society.

Genomic testing is constantly being reviewed and the Society continue to work with the relevant organisations to build the required database. Recently getting involved with a Genomic international committee with other Shorthorn Societies from around the world. Genomics will help to optimize profitability and yields of herds by making strategic breeding decisions, we hope to see more progress as the data increases.

Youth Development is one of the main priorities of the Society, to encourage younger members onto Shorthorn Committees it has been refreshing to have younger members involved in the last 12 months. During 2020 the normal Calf Shows and Young Handlers competitions we unable to go ahead due to the pandemic. After lockdown in the virtual show "The Spotlight Online Show" a young member took winners spot for the coloured breed calf class.

The Society will continue to support and bring on the next generation of Dairy Farmers by holding and getting involved in calf shows and young handler events. Social Media remains good way to communicate to younger members, continuing to build our Instagram presence to help attract young breeders who will then also help to promote the breed.

Financial review

The net income for the year amounted to £21,175. This amount has been added to reserves brought forward leaving fund balances of £322,312 at the end of the year. The trustees consider the results to be satisfactory.

Reserves policy

The Society aims to hold financial reserves that cover up to one year's outgoing resources. At 31 December 2020 the Society held free reserves amounting to £322,312.

Structure Governance and Management

Governing document

The Society is a charitable company limited by guarantee and does not have a share capital. The Society was incorporated on 15 June 1875 and registered as a charity on 8 January 1963. The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed by its Articles of Association.

Recruitment and appointment of the Council

The directors of the company are also charity trustees for the purpose of charity law and under the company's Articles are known as members of the Council.

Each year some council members retire by rotation and are eligible for re-election. They are elected by a ballot of those members entitled to vote.

**SHORTHORN SOCIETY OF THE UNITED KINGDOM
OF GREAT BRITAIN AND IRELAND**

**REPORT OF THE DIRECTORS AND TRUSTEES
FOR THE YEAR ENDED 31 DECEMBER 2020**

Trustee induction and training

New Trustees are briefed by the President on their obligations as Council members and the future plans and objectives of the Society. Minutes of previous meetings are also available for new Council Members upon request.

Risk review

The trustees have conducted a review of the major risks to which the charity is exposed and have established systems to mitigate these risks.

Every effort is made to ensure that all risks are kept to a minimum. The Council consider that insurance cover and reserves are adequate to ensure the continued operation of the Society in the event of the occurrence of any unexpected incident.

The uncertainty over the COVID-19 pandemic presents risks to the Society's operations and income streams. The Society's Trustees review and monitor these on an ongoing basis.

Trustees will be conducting meetings and discussions via online conferencing to reduce the need to meet face to face. Registration and membership income have been reviewed and should remain stable in the short term. Ongoing marketing, sales and promotion of the breed will focus on online and social media platforms in order to replace some of the exposure the breed would normally have had from attendance at shows and events. Trustees monitor Government guidelines to ensure members can sell their animals in a COVID secure manner. Online conferencing is being used for the AGM and is being considered by Trustees to deliver educational and management information to members in lieu of organised workshops and farm visits.

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

Approved by the Trustees on 25 March 2021, and signed on its behalf by:

A H J Whittle, Director / Trustee

**INDEPENDENT EXAMINERS REPORT TO THE TRUSTEES OF
SHORTHORN SOCIETY OF THE UNITED KINGDOM
OF GREAT BRITAIN AND IRELAND**

I report to the charity trustees on my examination of the accounts of the company for the year ended 31 December 2020, which are set out on pages 6 to 14.

Responsibilities and basis of report

As the charity's trustees of the Company (and also its directors for the purposes of company law) you are responsible for the preparation of the accounts in accordance with the requirements of the Companies Act 2006 ('the 2006 Act').

Having satisfied myself that the accounts of the Company are not required to be audited under Part 16 of the 2006 Act and are eligible for independent examination, I report in respect of my examination of your charity's accounts as carried out under section 145 of the Charities Act 2011 ('the 2011 Act'). In carrying out my examination I have followed the Directions given by the Charity Commission under section 145(5) (b) of the 2011 Act.

Independent examiner's statement

I have completed my examination. I confirm that no matters have come to my attention in connection with the examination giving me cause to believe that in any material respect:

1. accounting records were not kept in respect of the company as required by section 386 of the 2006 Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the accounting requirements of section 396 of the 2006 Act other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination; or
4. the accounts have not been prepared in accordance with the methods and principles of the Statement of Recommended Practice for accounting and reporting by charities applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

I have no concerns and have come across no other matters in connection with the examination to which attention should be drawn in this report in order to enable a proper understanding of the accounts to be reached.

Richard Miller MA (Oxon) FCA,
For and on behalf of Dafferns LLP
Chartered Accountants,
One Eastwood,
Harry Weston Road,
Binley Business Park
Coventry, CV3 2UB

18 May 2021

**SHORTHORN SOCIETY OF THE UNITED KINGDOM
OF GREAT BRITAIN AND IRELAND**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

INCOME FROM:	Unrestricted funds	
	2020	2019
	£	as restated £
Donations and legacies		
Donations	-	-
Gift aid	-	2,432
Charitable activities		
Members subscriptions	14,196	13,862
Herd book entry fees	30,005	26,665
Classification fees	5,676	7,738
Other fees	285	192
Coates' herd book	75	53
Shorthorn journal	5,875	6,002
Merchandise	440	880
Shows and events	100	3,609
World conference 2019	-	3,185
Sundry income	62	862
Management fees	15,324	15,648
Profit on sale of fixed assets	9,399	-
Investment income		
Interest on deposits	25	50
Dividend income	8,237	8,280
Gift aid donation from trading subsidiary	26,935	16,833
Total income	<u>116,634</u>	<u>106,291</u>

**SHORTHORN SOCIETY OF THE UNITED KINGDOM
OF GREAT BRITAIN AND IRELAND**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCORPORATING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

RESOURCES EXPENDED	Unrestricted funds	
	2020	2019
	£	as restated £
Charitable activities		
Shorthorn journal	6,388	7,789
Shows and events	568	9,287
World conference 2019	-	4,499
Classifications	6,088	7,264
Merchandise	462	381
Publicity	3,688	5,961
Breed development	1,091	1,065
Support costs (not allocated)		
Salaries and national insurance	18,437	16,467
Breed secretary's fees and expenses	21,873	23,157
Social media fees and expenses	2,861	2,444
Rent and rates	10,960	8,225
Light and heat	183	1,261
Insurance	2,007	1,879
Telephone and postage	3,421	4,414
Printing and stationery	955	1,299
Staff travelling and entertaining	73	615
Repairs and maintenance	3,573	4,979
Bank charges	358	925
Sundry expenses	259	293
Lease of equipment	1,002	1,291
Council meetings expenses	450	1,495
Independent examination	2,960	3,000
Legal and professional fees	2,322	358
Bad debts	490	200
Depreciation	1,413	2,927
Total expenditure	<u>91,882</u>	<u>111,475</u>

**SHORTHORN SOCIETY OF THE UNITED KINGDOM
OF GREAT BRITAIN AND IRELAND**

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	Unrestricted funds 2020 £	2019 as restated £
Income		116,634	106,291
Expenditure		<u>91,882</u>	<u>111,475</u>
		24,752	(5,184)
Net gains / (losses) on investments		<u>(3,577)</u>	<u>48,817</u>
Net income / movement in funds		21,175	43,633
Prior year adjustment	5	-	(16,833)
Fund balances at 1 January 2020		<u>301,137</u>	<u>274,337</u>
Fund balances at 31 December 2020		<u>322,312</u>	<u>301,137</u>

The notes on pages 10 to 15 form an integral part of these financial statements

**SHORTHORN SOCIETY OF THE UNITED KINGDOM
OF GREAT BRITAIN AND IRELAND
(REGISTERED NUMBER: 00009597)**

BALANCE SHEET AS AT 31 DECEMBER 2020

	Note	2020	2019 as restated
		£	£
Fixed assets			
Intangible assets	8	5	5
Tangible assets	9	2,124	883
Investments	10	<u>239,587</u>	<u>243,164</u>
		241,716	244,052
Current assets			
Stock		-	274
Debtors	11	34,750	26,719
Charities deposit		8,864	8,841
Bank balances and cash		<u>72,379</u>	<u>45,065</u>
		115,993	80,899
Current liabilities			
Creditors - amounts falling due within one year	12	<u>35,397</u>	<u>23,814</u>
Net current assets		<u>80,596</u>	<u>57,085</u>
Net assets		<u>322,312</u>	<u>301,137</u>
Financed by:			
Reserves			
Unrestricted funds	13	<u>322,312</u>	<u>301,137</u>

The charitable company is entitled to exemption from audit under section 477 of the Companies Act 2006 for the year ended 31st December 2020.

The members have not required the company to obtain an audit in accordance with section 476 of the Companies Act 2006.

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

These financial statements have been prepared in accordance with the provisions applicable to small companies' subject to the small companies' regime and in accordance with FRS 102 SORP.

The financial statements were approved by the Council on 25 March 2021 and were signed on its behalf by:

A H J Whittle, Director / Trustee

The notes on pages 10 to 15 form an integral part of these financial statements.

**SHORTHORN SOCIETY OF THE UNITED KINGDOM
OF GREAT BRITAIN AND IRELAND**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. General information and basis of preparation

The Shorthorn Society of the United Kingdom of Great Britain and Ireland is a private company, limited by guarantee, registered in England and Wales. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are to encourage, promote and improve the breeding of Shorthorn cattle in the United Kingdom of Great Britain and Ireland, or elsewhere and to compile and maintain a Herdbook of recognised and purebred Shorthorn cattle.

The charity constitutes a public benefit entity as defined by FRS 102. 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) issued in October 2019, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011, the Companies Act 2006, and UK Generally Accepted Accounting Practice.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling (£) which is the functional currency of the charity and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. Accounting policies

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Restricted funds can only be used in accordance with the restriction imposed upon them.

Income recognition

All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably, and it is probable that the income will be received.

Investment income is earned through holding assets for investment purposes such as shares and property. It includes dividends, interest and rent. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

**SHORTHORN SOCIETY OF THE UNITED KINGDOM
OF GREAT BRITAIN AND IRELAND**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies

Gift aid payments

Gift aid payments are recognised as distributions to owners from retained earnings with there being no legal obligation to make payments.

This is a change in accounting policy applicable from periods commencing 1 January 2020 and has been retrospectively applied with comparative figures being restated. Further details can be found in Note 5.

The change in accounting policy for gift aid payments also results in the company recognising a taxation charge on its profits for the year. However, the application of the exception under paragraph 29.14A of FRS 102 provides relief in respect of the accounting for the tax charge. This results in an overall nil impact on the charge for tax in the Income Statement. This exception is only applicable as it is probable that the gift aid payment will be made by the company to the parent charity within 9 months of the reporting date.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required, and the amount of the obligation can be measured reliably.

Intangible fixed assets

The intangible fixed asset comprises the copyright of the Coates Herd Book and is stated at cost.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Leasehold buildings	Written off in 2020
Equipment	10% - 20% straight line

Investments

Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SOFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

The investment in the subsidiary is measured at cost less impairment.

Stocks

Stock has been valued at the lower of cost and net realisable value.

Debtors and creditors receivable / payable within one year

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

**SHORTHORN SOCIETY OF THE UNITED KINGDOM
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies

Operating leases

Rentals payable and receivable under operating leases are charged to the SOFA on a straight-line basis over the period of the lease.

Pensions

The company operates defined contribution pension schemes. Contributions payable during the year are charged in the statement of financial activities in the period to which they relate.

Foreign currency

Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

Related company and consolidation

The company owns 100% of the issued ordinary share capital of Shorthorn Sires UK Limited (incorporated in the United Kingdom). The company and its subsidiary comprise a small group. The company has therefore taken advantage of the exemption provided by section 398 of the Companies Act 2006 not to prepare group accounts.

3. Net income

	2020	2019
	£	as restated £
Net income is stated after charging:		
Depreciation of tangible fixed assets	1,413	2,927
Operating lease costs	<u>942</u>	<u>3,955</u>
And after crediting:		
Profit on sale of fixed assets	<u>9,399</u>	<u>-</u>

4. Independent examiners remuneration

The independent examiners remuneration amounts to an independent examination fee of £1,750 and accountancy and other services of £1,210.

5. Prior year adjustment

As a result of the new clarifications and changes from the Financial Reporting Council's 2017 FRS 102 Triennial Review, gift aid payments are now recognised as distributions to owners from retained earnings. The charity previously recognised gift aid payments as income in the Income Statement in the year that the profits arose.

Being a change in company accounting policy these updates were applied to company from periods commencing 1 January 2020 with full retrospective application as required by FRS 102. Therefore, the prior year comparative figures have been restated to reflect this change.

There is a prior year adjustment of £16,833 reflecting the change in accounting for the gift aid payment for the year ended 31 December 2018. This decreases the opening retained earnings for the year ended 31 December 2019 by this amount.

**SHORTHORN SOCIETY OF THE UNITED KINGDOM
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

6. Trustee remuneration and other benefits

No trustees' remuneration or other benefits were paid during the year.

Trustees' expenses

Reimbursed travel expenses	—	—
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7. Staff numbers and costs

The average number of persons employed by the Society during the year was:

Administration	1	1
Staff costs were:		
Salaries and subcontract	17,900	16,025
Employers pension	537	442
	<u>18,437</u>	<u>16,467</u>

No employee received emoluments of more than £60,000.

8. Intangible fixed assets

Copyright at cost – Coates' Herd Book	5	5
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9. Tangible fixed assets

	Equipment £	Total £
Cost		
At 1 January 2020	13,372	13,372
Additions	2,654	2,654
Disposals	(8,175)	(8,175)
At 31 December 2020	<u>7,851</u>	<u>7,851</u>
Depreciation		
At 1 January 2020	12,489	12,489
Charge for the year	1,413	1,413
Disposals	(8,175)	(8,175)
At 31 December 2020	<u>5,727</u>	<u>5,727</u>
Net book value		
At 31 December 2020	<u>2,124</u>	<u>883</u>
At 31 December 2019	<u>883</u>	<u>883</u>

**SHORTHORN SOCIETY OF THE UNITED KINGDOM
OF GREAT BRITAIN AND IRELAND**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

10. Investments

	2020	2019
	£	as restated £
Listed investments held 1 January 2020	242,164	212,913
Purchases at cost	-	6,542
Sales proceeds	-	(26,108)
Revaluation	<u>(3,577)</u>	<u>48,817</u>
Listed investments held 31 December 2020 (all quoted on a recognised stock exchange)	238,587	242,164
Shares in group company	<u>1,000</u>	<u>1,000</u>
	<u><u>239,587</u></u>	<u><u>243,164</u></u>

Shares in subsidiaries

Name: Shorthorn Sires UK Limited

Company number: 02937523 (England and Wales)

Nature of business: Selling of Shorthorn semen

Class of shares: Ordinary - Holding: 100%

Aggregate capital and reserves

Profit / (loss) for the year

9,294	9,294
<u>-</u>	<u>-</u>

11. Debtors

	2020	2019
	£	as restated £
Trade debtors	15,161	15,069
Amount owed by group company	15,692	9,354
Prepayments	<u>3,897</u>	<u>2,296</u>
	<u><u>34,750</u></u>	<u><u>26,719</u></u>

12. Creditors: amounts falling due within one year

Trade creditors	7,569	7,168
Deferred income	18,280	8,280
Taxation and social security	252	132
Value added tax	5,522	3,776
Other creditors	121	93
Accruals	<u>3,653</u>	<u>4,365</u>
	<u><u>35,397</u></u>	<u><u>23,814</u></u>

13. Funds

All funds are unrestricted

14. Other financial commitments

Total amount of financial commitments and contingencies is £6,887.

**SHORTHORN SOCIETY OF THE UNITED KINGDOM
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

15. Related company and consolidation

The Society owns 100% of the issued share capital of Shorthorn Sires Limited, formerly Red Cattle Genetics (Stoneleigh) Limited (incorporated in the United Kingdom) which sells Shorthorn semen. Its trading results for the year, as extracted from the unaudited accounts are as follows:

	2020	2019
	£	as restated £
Turnover	131,723	105,690
Cost of sales	<u>56,986</u>	<u>60,473</u>
Gross profit	74,737	45,217
Administrative expenses	<u>20,710</u>	<u>18,282</u>
	54,027	26,935
Interest receivable	<u>-</u>	<u>-</u>
	54,027	26,935
Gift aid donation	<u>26,935</u>	<u>16,833</u>
Retained income	27,092	10,102
Prior year adjustment	-	16,833
Reserves 1 January 2020	<u>36,229</u>	<u>9,294</u>
Reserves 31 December 2020	<u>63,321</u>	<u>36,229</u>

16. Related party transactions

There were no material related party transactions during the year.