

Kent County Agricultural Society



KENT COUNTY AGRICULTURAL SOCIETY

(A company limited by guarantee)

(Company No. 2556508. Charity No. 1001191)

Patron: HIS ROYAL HIGHNESS THE DUKE OF KENT, KG
Chairman: JAMES PETER FORKNALL

Trustees' report and financial statements
for the year ended 30 September 2021

KENT COUNTY AGRICULTURAL SOCIETY
KENT SHOWGROUND
DETLING
MAIDSTONE
KENT
ME14 3JF

Tel: 01622 630975

KENT COUNTY AGRICULTURAL SOCIETY

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KENT COUNTY AGRICULTURAL SOCIETY
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Trustees' report
for the year ended 30 September 2021

Reference and administration details of the Society, its Trustees and advisors

Name

The full name is Kent County Agricultural Society. The Society is exempt from the requirement to use the word "Limited" in its title.

Registration numbers

The Society is registered as a charity under number 1001191 and as a limited company under number 2556508.

Patron

HIS ROYAL HIGHNESS THE DUKE OF KENT, KG

President

William Boscawen

Chairman

James Peter Forknall

Trustees

Mr J Forknall, Chairman
Mr R J Barnes, Vice Chairman
Mr H Summerfield FCA, Honorary Finance Director
Mr A D Barr
Mr T J Coultrip (resigned 12 February 2021)
Ms S Matthews
Mr S Gibbons
Mrs G Hickmott
Ms J A Loraine
Mr C Tassell
Mrs S K Gaines (appointed 12 February 2021)
Mr N Lakeland (appointed 12 February 2021)

Address of registered office

Kent Showground
Detling
Maidstone
Kent
ME14 3JF

KENT COUNTY AGRICULTURAL SOCIETY
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Trustees' report (continued)
for the year ended 30 September 2021

Advisors:

Independent auditors

Kreston Reeves LLP
Statutory Auditor
37 St Margaret's Street
Canterbury
Kent
CT1 2TU

Bankers

Barclays Bank Plc
13 Fremlin Walk
Maidstone
Kent
ME14 1QG

Solicitors

Brachers LLP
59 London Road
Maidstone
Kent
ME16 7VH

Investment managers

Cazenove & Co
12 Moorgate
London
EC2R 6DA

J.M. Finn & Co Ltd
4 Coleman Street
London
EC2R 5TA

HR Consultants

Outset (UK) Ltd
Vintners Business Park
New Cut Road
Maidstone
Kent
ME14 5NZ

KENT COUNTY AGRICULTURAL SOCIETY
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Trustees' report (continued)
for the year ended 30 September 2021

Structure, governance and management

Constitution

The Society is a company limited by guarantee and does not have a share capital. It was incorporated on 8 November 1990, and its governing documents are the Memorandum and Articles of Association as amended on 7 October 2011.

The liability of members is limited to a maximum £1 each in the event of a winding up resulting in a deficit. In the event of a winding up producing a surplus, that surplus must be donated to another charity having similar objectives.

The Society was formed to take over the undertaking and assets of the unincorporated association of the same name which had for many years previously held the annual Kent County Show and this took place on 29 January 1991.

Subsidiary companies

At 1 October 2020 and 30 September 2021, Kent County Agricultural Society had four wholly owned subsidiaries:

- i) **Kent Event and Exhibition Centre Limited:**
This subsidiary carries out those activities that would not be exercised in carrying out the primary purposes of the Kent County Agricultural Society, being the hire of the showground.
- ii) **Why Farming Matters in Kent Limited:**
This company has remained dormant throughout the year to 30 September 2021.
- iii) **Farm Expo Limited:**
This company has remained dormant throughout the year to 30 September 2021.
- iv) **Biddenden Tractorfest Limited:**
This company has remained dormant throughout the year to 30 September 2021

Further details are set out in note 20 to these accounts.

The objects and policies

Vision Statement

To be the leading county show and event venue in the South East of England.

Objectives

- to deliver our charitable objectives effectively, publicise our activities and engage a broad network of support
- to ensure the Society remains financially sustainable with adequate reserves
- to support our staff to be a highly skilled and effective team
- to ensure year on year growth through the provision of a high quality, good value experience at all our events
- to inspire and educate young people whilst engaging a wider audience in agriculture and the countryside

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Trustees' report (continued)
for the year ended 30 September 2021

The objects and policies (continued)

The objects and policies are set out in the Memorandum of Association as being:

- the improvement of agriculture, forestry, horticulture, allied industries, rural craft and the breeding of livestock
- the demonstration of improved methods and processes connected with the above
- the holding of an annual show for the exhibition of livestock, equines, farm produce, horticultural produce, machinery, implements, tools, appliances, utensils, animal feeding stuffs, fertilisers, seeds and other things connected with or appertaining to agriculture
- the encouragement of agricultural and horticultural education, research and experimental work by publications, grants or other means
- to promote such other charitable measures as the Company may from time to time determine

The vision that shapes our annual activities remains the promotion and improvement of agriculture by the provision of facilities for the education and recreation of the public and to support and enhance the practices of the farming community.

In shaping our objectives for the year and planning our activities the Trustees have considered the Charity Commission's guidance on public benefit. The running of the annual Kent County Show relies on the income generated by the subsidiary trading company. Affordability and access to the Kent County Show is important to the Society and is considered carefully when setting entrance fees.

The strategies employed to achieve the Society's aims and objectives are to:

- present a broad range of displays, entertainment and competition at the annual Kent County Show and to nurture links with the wider community through sponsorship opportunities and the presentation of agricultural long service awards
- invite every primary school in Kent to the annual educational show, Living Land
- award prizes, funding and bursaries to students following courses of study in keeping with the objects of the Society and to foster relationships with them during this time and beyond
- support the Kent Young Farmers Clubs particularly with the running of livestock classes at the annual Kent County Show but also through awards and financial support during the year
- maintain links and develop relationships with rural colleges in the South East to fully understand the needs of today's rural students and entrants into the agricultural industry in order to best support them
- demonstrate the latest in agricultural methods and machinery and host debates on up to date topics through the holding of an annual Farm Expo
- encourage interest and knowledge in agriculture by sponsorship of the Kent Ploughing Championships and attending ploughing matches with an educational display
- enhance the funds generated by the subsidiary by maximising income and managing costs

To put these strategies into action we have three major areas of activity which are:

- educational and recreational events including the Kent County Show, the Kent County Summer Fayre the Heritage Transport Show, Living Land, Farm Expo and Biddenden Tractorfest
- educational programmes including awards, grants and bursaries
- increasing public awareness of farming in Kent through networking, advertising and publication.

Board response to the Covid-19 pandemic

Following the national lockdown in March 2020 the board responded by setting up a 'Covid19 Task and Finish Group' as a subgroup within the board. It was mandated by the full board at their meeting in June 2020. Its purpose was to undertake strategic decisions in relation to a review and if necessary, restructure of the organisation.

An independent review was carried out by Alluxi Consulting during June and July and identified the need to carry out a restructure in response to the loss of revenue from cancelled events and shows as the impact of the pandemic escalated.

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Trustees' report (continued)
for the year ended 30 September 2021

Board response to the Covid-19 pandemic (continued)

The Covid19 Task and Finish Group worked to identify where resource and cost savings could best be deployed to deliver plans to take the organisation through the following 12-18 months and ensure its sustainability. This process is ongoing as we restructure and rebuild both business and staffing levels under a new vision.

The Government Furlough Scheme was used to the benefit of the Society up and till its end in September 2021, retaining staff to ensure an easy reconnection with the day-to-day operation as confidence and business returned within our sector.

The restructure process will continue into 2022 as the new reconfigured staff team gain the intended operational skill set and expertise necessary for the future, with the managerial support to ensure effective delivery. HR advice continues to be provided by Outset, an HR company based in Maidstone along with an outsourced payroll allowing staff to concentrate on other key areas with a better return.

The organisation

The organisation of the Society is as follows:

The executive board of Directors, who are also Trustees, exercise the general control and management;

The council acts in an advisory capacity to the Directors on matters affecting policy and general management;

One standing committee, known as the Show Committee, together with various advisory sub committees, assist the Directors with the operations of various departments of the annual Kent County Show and other specific activities;

The day to day management generally is delegated to three board members who are supported by the senior management team.

Trustee recruitment, induction and training

The Trustees continue to seek to identify suitable individuals with an understanding of the agricultural and rural community and/or event and exhibition experience with a view to serving on the board. The Trustees all have particular and relevant skills which enable them to contribute to the work of the Society. Their knowledge of good practice, changes in legislation and technical issues is supplemented by publications issued by the Charity Commission and other relevant organisations and attendance at appropriate conferences and trainings. New Trustees are provided with detailed background information about the Society, copies of the constitution of the Society, current financial data and other documents relevant to the operation of the Society.

Pay policy for senior staff

The Trustees consider the board of Directors, who are the Trustees, and the senior management team comprise the key management personnel of the Society in charge of directing and controlling, running and operating the Society on a day to day basis. All Trustees give of their time freely and no Trustee received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in notes 14 and 33 to the accounts.

The pay of senior staff is reviewed annually and normally increased in accordance with average earnings. In order to ensure appropriate pay levels, the Trustees instructed an independent HR professional to bench mark the remuneration in 2014 and may consider annually the need to repeat this process.

Restrictions on methods of operation

The constitution imposes no restrictions on the Society's method of operation.

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Trustees' report (continued)
for the year ended 30 September 2021

Achievements and performance

Unfortunately, Covid-19 restrictions meant that the Society could not be certain of being able to run the Kent County Show as normal, so it was decided to hold a much smaller event, The Kent County Summer Fayre, over 2 days only on 10th & 11th July 2021.

While very different from the usual County Show, it was nonetheless very well received by visitors and traders alike and generated a surplus of just under £30,000 before overheads.

Farm Expo, usually the first Society Event of the year in March, was initially postponed until 21st April 2021 but sadly it later became clear that it would have to be postponed. Subsequently it was decided that a postponement might impact being able to hold the event the following March and it was decided to wait until 2nd March 2022.

The Heritage Transport Show due to be held in April was also not able to go ahead due to Covid-19. It was postponed to 10th October 2021 and was well attended. It returns to its usual April date in 2022. As the October Show was outside the Financial Year, no results are included in these financial statements.

The Living Land event that has already helped to educate nearly 50,000 primary school children from Kent about food, farming and the countryside was unable to go ahead in its usual format due to Covid restrictions.

The children were unable to come to us, so the Society took Living Land to the children in the form of a virtual event comprising of extensive video and interactive content on our website alongside some classroom based activity materials that were delivered to a number of schools. The content was released to registered schools on the usual event day in May but remains accessible to any school indefinitely.

The Society had hoped to be able to stage the Biddenden Tractorfest for the first time in 2021 but a combination of Covid restrictions and ensuing difficulty in securing a suitable location has meant that the event will not take place until August 2022.

The Kent Rural Scholarship scheme was not affected by Covid this year. Interviews were carried out in person and three new scholars joined the programme, which supported nine students in total this year at a cost of £9,000.

The Society's wholly owned subsidiary, the Kent Event and Exhibition Centre Limited, undertook arrangements for the use of the showground by various third parties.

The ability to let the showground was again severely curtailed by Covid restrictions and customer appetite at the start of the year. However, the second half of the year has seen trade return to levels not too dissimilar to pre-Covid levels.

However, the non-running of several larger events at the start of the financial year has seen the Event Centre's income reduce by just under £100,000 compared to 2020. Direct costs as a percentage of income were 28% in 2021 and 32% in 2020.

The surplus achieved from these activities will be donated to the Society by means of a gift aid payment.

As can be appreciated from these financial statement and those of previous years, the income from the Kent and Exhibition Centre Limited continues to be paramount to the financial stability of the Kent County Agricultural Society.

The major financial results of the group are detailed in the attached statements of financial activities and balance sheets, together with the notes to the financial statements. In the year ended 30 September 2021, the group generated a surplus of unrestricted income over expenditure before investment gains or loss and taxation of £6,225 (2020: deficit £54,544) as reporting on page 16. After realised gains on investment disposals and unrealised gains on investment market value movement, the group surplus was enhanced to £56,488 (2020: deficit £50,222).

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Trustees' report (continued)
for the year ended 30 September 2021

Voluntary assistance

The Society is grateful for and substantially dependent on unpaid voluntary help over the days of the Kent County Summer Fayre. Voluntary assistance was provided by stewards and judges, some of whom are members of the council.

Community and educational support

Many of our usual methods of pursuing the Society's charitable objectives were again unavailable to us due to the effects of the pandemic.

We were unable to hold the Kent County Show and this also meant the support given to other organisations such as the Kent Federation of Horticultural Societies, the Kent Bee Keepers Associations and others was not able to be provided.

However, the Kent Young Farmers Clubs were supported with their during the Kent County Summer Fayre and were also invited to take part in the Grand Parade of Livestock for the first time.

Due to effects on school clubs due to Covid, no financial awards were applied for or awarded to Young Farmers Clubs in Kent.

Whilst some ploughing matches went ahead, the majority were not open to the public and so Society sponsorship was not sought.

No applications were invited for the Hooson Award or the Lady Astor Award this year but the intention is to revive the process in 2022.

The Society is in the sixth year of a bursary scheme in which bursaries of £1,000 per year are awarded to Kent based students following courses in keeping with our objectives for up to three years of their course of study. Students are invited annually to apply for the bursaries which are limited to three new students per year. The total paid to the Rural Scholars to date is £43,000 with £9,000 being paid in 2021 (2020: £9,000).

We continue to support the Kent Federation of Horticultural Societies with equipment storage at the showground and the Kent Bee Keepers Associations with meeting facilities through the year.

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Trustees' report (continued)
for the year ended 30 September 2021

Investment powers and policy

The Society's investment powers are set out in the Memorandum of Association and are to "invest the moneys of the company not immediately required for the furtherance of its objectives in or upon such investments, securities or property as may be thought fit, subject nonetheless to such conditions (if any) and such consents (if any) as may be imposed or required by law".

The Society's investment policy is based on professional advice and is to invest to produce short term income and capital appreciation with long term capital protection.

The income generated from listed investments in the year amounted to £10,353 (2020: £7,545) which is in line with the investment objectives. The listed investments have achieved a capital growth in line with the investment policy.

Financial review of the subsidiaries

The financial contribution made by the subsidiary Kent Event and Exhibition Centre Limited, through its gift aid payment will be £187,240 (2020: £37,558) representing the surplus made from its activities. This surplus was achieved after the Society had made proper charges for the use of the showground and for all staff and other facilities used by the subsidiary.

The subsidiaries Why Farming Matters in Kent Limited, Farm Expo Limited and Biddenden Tractorfest Limited all remained dormant throughout the year.

Financial review of the Society

2021 has been an atypical year for the Society due to the pandemic curtailing our usual activities. As such, we are unable to report on the results of the Kent County Show.

The Society produced gross income of £482,446 (2020: £621,239) and incurred direct costs (excluding support costs) of £164,653 (2020: £105,247) to give a gross surplus of £317,793 (2020: £515,992). Society support costs as reported in note 10 amounted to £416,017 (2020: £548,283). This produced an overall deficit for the Society of £98,224 (2020: £32,291).

During the year the Society continued to monitor and update a detailed risk assessment programme with professional consultants engaged to assist with meeting its obligations in this respect.

Key performance indicators

The Trustees are of the opinion that the following are key performance indicators of the group:

- Level of annual corporate gift aid from Kent Event and Exhibition Centre Limited to the Society
During the year ended 30 September 2021, Kent Event and Exhibition Centre Limited pledged to donate £187,240 (2020: £37,558)
- Visitor numbers to the Kent County Show
The 2021 Kent County Show was unable to be held due to Covid-19. The 2019 Show achieved visitor numbers of circa 78,000. The Kent County Summer Fayre was limited due to Covid-19 to 4,000 visitors per day.
- Trade stand revenues
There was no trade stand revenue for the Kent County Show.
The trade stand revenue for the reduced Kent County Summer Fayre was £47,632

Reserves policy

The Society is continuing to implement a long-term policy to increase reserves within the general unrestricted fund to safeguard the Society against the absence of budgeted income resulting from adverse weather conditions affecting the Kent County Show attendance or other unforeseen factors affecting the Society's ability to hold the County Show.

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Trustees' report (continued)
for the year ended 30 September 2021

Reserves policy (continued)

The Society holds total unrestricted reserves at 30 September 2021 of £3,582,374 (2020: £3,525,886) of which £2,430,138 (2020: £2,804,394) has been designated as representing the tangible fixed assets of the Society, less the associated borrowings; £35,971 (2020: £35,971) which is represented by listed investments and has been designated to meet the wishes of the testators and £2,160 (2020: £2,160) which is represented by cash as designated by the Trustees to meet the wishes of the donors. Therefore, general unrestricted reserves at 30 September 2021 amounted to £1,114,105 (2020: £683,361). The Trustees are satisfied that the level of reserves held would be sufficient to safeguard the Society in the event of adverse weather conditions affecting the Kent County Show attendance.

In the current financial year, 50% of the proceeds of the sale of the campsite amounting to £250,000 was invested with JM Finn & Co Ltd.

To reach an even greater level of comfort the Trustees aspired to achieve general unrestricted reserves of £600,000. This was achieved at the end of 2020 following the sale of the Scragged Oak Caravan Park. The Trustees are satisfied that the level of reserves held are sufficient to safeguard the Society in the current economic climate for the foreseeable future.

Fixed assets

In the opinion of the Trustees the value of the freehold land and buildings is substantially in excess of its written down value.

Principal risks and uncertainties

The Trustees are acutely aware of the need to identify and manage risks and implement a risk management strategy with advice from a professional safety consultant which comprises:

- an annual review of the principal risks and uncertainties faced by the Society, its subsidiary Kent Event and Exhibition Centre Limited and the Society events, the Kent County Show, Farm Expo, Heritage Transport Show and Living Land and Biddenden Tractorfest;
- the establishment of policies, systems and procedures to mitigate those risks identified in the annual review; and
- the implementation of procedures designed to minimise or manage any potential impact on the Society should those risks materialise.

Attention has been given to non-financial risks arising from events such as, but not exclusively, fire, health and safety of the public, animal health hazards and food and hygiene issues. These risks are managed by ensuring accreditation is up to date and by having robust policies, procedures and risk assessments in place which are detailed in the Health and Safety Policy and supporting documents. The Society is in regular contact with the safety consultant throughout the course of the year.

An additional Covid Specific risk assessment has been undertaken during the year and added to the Risk Register.

This work has also identified that adverse weather or traffic incidents over the period of the Kent County Show can have a severe affect on visitor numbers. Whilst the Trustees accept that these events are outside their control, there are emergency procedures in place and improvements have been made to access to the site allowing it to cope with most adverse weather. The mechanics of Command and Control procedures allow for fast time decisions to be made up to and including the point of needing to abandon the Kent County Show.

The board has responded to the Covid-19 pandemic by setting up a 'Covid-19 Task and Finish Group' as a subgroup within the board. Its purpose was to undertake strategic decisions in relation to a review and if necessary, restructure of the organisation, including addressing any associated risks that arose;

The Trustees are managing the financial impact of these risks by building a sufficient level of reserves to safeguard the Society against the absence of budgeted income as a result of such an adverse event.

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Trustees' report (continued)
for the year ended 30 September 2021

Plans for future periods

The Society plans to continue with the strategies outlined in the objects and policies with major aspects of this being the Kent County Show, Farm Expo, Living Land, Biddenden Tractorfest and the educational awards and bursaries in so far as the current circumstances allow.

The Trustees and senior management team look at feedback from past events and procedures and always undertake detailed reviews in order to enhance experience, reduce costs and increase educational aspects and outreach of future offerings.

The Society is also continuing to maximise revenues generated by the Kent Event and Exhibition Centre Limited in order to increase funds available to support the charitable objectives.

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all steps that ought to have been taken as a Trustee in order to be aware of any information needed by the charitable group's auditors in connection with preparing their report and to establish that the charitable group's auditors are aware of that information.

Approved by order of the members of the board of Trustees on 10 December 2021 and signed on their behalf by:

MR J P Forknall, Chairman



KENT COUNTY AGRICULTURAL SOCIETY

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Statement of Trustees' responsibilities for the year ended 30 September 2021

The Trustees (who are also the directors of the Society for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial year. Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Society and of their incoming resources and application of resources, including their income and expenditure, 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 of the Charities SORP (FRS 102);
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Society and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

KENT COUNTY AGRICULTURAL SOCIETY
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Independent auditors' report to the Members of Kent County Agricultural Society

Opinion

We have audited the financial statements of Kent County Agricultural Society (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 30 September 2021 which comprise the Consolidated statement of financial activities, the Consolidated balance sheet, the Society balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 30 September 2021 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act 2011.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's or the parent charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

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Independent auditors' report to the Members of Kent County Agricultural Society (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' report.

We have nothing to report in respect of the following matters in relation to which Companies Act 2006 requires us to report to you if, in our opinion:

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a Strategic report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the Group's and the parent charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

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Independent auditors' report to the Members of Kent County Agricultural Society (continued)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Capability of the audit in detecting irregularities, including fraud

Based on our understanding of the company and industry, and through discussion with the directors and other management (as required by auditing standards), we identified that the principal risks of non-compliance with laws and regulations related to health and safety, anti-bribery and employment law. We considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, Statement of Recommended Practice, taxation and pension legislation. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to increase revenue or reduce expenditure. Audit procedures performed by the engagement team and component auditors included:

- Discussions with management and assessment of known or suspected instances of non-compliance with laws and regulations (including health and safety); and
- Assessment of identified fraud risk factors; and
- Challenging assumptions and judgements made by management in its significant accounting estimates; and
- Checking and reperforming the reconciliation of key control accounts; and
- Confirmation of related parties with management, and review of transactions throughout the period to identify any previously undisclosed transactions with related parties outside the normal course of business; and
- Performing analytical procedures with automated data analytics tools to identify any unusual or unexpected relationships, including related party transactions, that may indicate risks of material misstatement; and
- Reading minutes of meetings of those charged with governance and reviewing correspondence with relevant tax and regulatory authorities; and
- Review of significant and unusual transactions and evaluation of the underlying financial rationale supporting the transactions; and
- Identifying and testing journal entries, in particular any manual entries made at the year end for financial statement preparation.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance.

KENT COUNTY AGRICULTURAL SOCIETY
(A company limited by guarantee)

Independent auditors' report to the Members of Kent County Agricultural Society (continued)

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the charitable company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Trustees.
- Conclude on the appropriateness of the Trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Use of our report

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.

Kreston Reeves LLP

Samantha Rouse FCCA DChA (Senior statutory auditor)

for and on behalf of
Kreston Reeves LLP

Statutory Auditor
Chartered Accountants

Canterbury

10 December 2021

KENT COUNTY AGRICULTURAL SOCIETY
(A company limited by guarantee)

Consolidated Statement of financial activities (incorporating income and expenditure account)
for the year ended 30 September 2021

| | Note | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|---|------|------------------------------------|-----------------------------|-----------------------------|
| Income from: | | | | |
| Donations, legacies and grants | 4 | 214,536 | 214,536 | 167,902 |
| Charitable activities | | 170,701 | 170,701 | 46,984 |
| Other trading activities | | 652,750 | 652,750 | 742,678 |
| Investments | | 19,548 | 19,548 | 7,095 |
| Other income | | 31,947 | 31,947 | 361,794 |
| Total income | | 1,089,482 | 1,089,482 | 1,326,453 |
| Expenditure on: | | | | |
| Raising funds | | 94,203 | 94,203 | 157,887 |
| Charitable activities | 11 | 989,054 | 989,054 | 1,223,110 |
| Total expenditure | | 1,083,257 | 1,083,257 | 1,380,997 |
| Net income/(expenditure) before net gains on investments | | 6,225 | 6,225 | (54,544) |
| Net gains on investments | | 50,263 | 50,263 | 4,322 |
| Net movement in funds | | 56,488 | 56,488 | (50,222) |
| Reconciliation of funds: | | | | |
| Total funds brought forward | | 3,525,886 | 3,525,886 | 3,576,108 |
| Net movement in funds | | 56,488 | 56,488 | (50,222) |
| Total funds carried forward | | 3,582,374 | 3,582,374 | 3,525,886 |

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

The notes on pages 21 to 45 form part of these financial statements.

KENT COUNTY AGRICULTURAL SOCIETY
(A company limited by guarantee)
Registered number: 02556508

Consolidated balance sheet
as at 30 September 2021

| | Note | 2021 £ | 2020 £ |
|---|------|-------------------------|-------------------------|
| Fixed assets | | | |
| Tangible assets | 18 | 3,661,710 | 3,834,464 |
| Investments | 20 | 701,568 | 405,361 |
| Investment property | | 525,000 | 525,000 |
| | | <u>4,888,278</u> | <u>4,764,825</u> |
| Current assets | | | |
| Debtors | 21 | 265,391 | 113,669 |
| Cash at bank and in hand | | 532,430 | 605,578 |
| | | <u>797,821</u> | <u>719,247</u> |
| Creditors: amounts falling due within one year | 22 | (482,885) | (377,177) |
| Net current assets | | <u>314,936</u> | <u>342,070</u> |
| Total assets less current liabilities | | <u>5,203,214</u> | <u>5,106,895</u> |
| Creditors: amounts falling due after more than one year | 23 | (1,620,840) | (1,522,858) |
| Provisions for liabilities | | - | (58,151) |
| Total net assets | | <u><u>3,582,374</u></u> | <u><u>3,525,886</u></u> |
| Charity funds | | | |
| Restricted funds | 26 | - | - |
| Unrestricted funds | 26 | 3,582,374 | 3,525,886 |
| Total funds | | <u><u>3,582,374</u></u> | <u><u>3,525,886</u></u> |

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

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

The financial statements were approved and authorised for issue by the Trustees on 10 December 2021 and signed on their behalf by:

MR J P Forknall
Chairman

The notes on pages 21 to 45 form part of these financial statements.

KENT COUNTY AGRICULTURAL SOCIETY
(A company limited by guarantee)
Registered number: 02556508

Society balance sheet
as at 30 September 2021

| | Note | 2021 £ | 2020 £ |
|---|-------------|--------------------|-------------------|
| Fixed assets | | | |
| Tangible assets | 18 | 3,661,710 | 3,834,464 |
| Investments | 20 | 701,573 | 405,366 |
| Investment property | | 525,000 | 525,000 |
| | | 4,888,283 | 4,764,830 |
| Current assets | | | |
| Debtors | 21 | 447,633 | 102,309 |
| Cash at bank and in hand | | 126,423 | 490,654 |
| | | 574,056 | 592,963 |
| Creditors: amounts falling due within one year | 22 | (262,987) | (254,760) |
| Net current assets / liabilities | | 311,069 | 338,203 |
| Total assets less current liabilities | | 5,199,352 | 5,103,033 |
| Creditors: amounts falling due after more than one year | 23 | (1,620,840) | (1,522,858) |
| Provisions for liabilities | | - | (58,151) |
| Total net assets | | 3,578,512 | 3,522,024 |
| Charity funds | | | |
| Restricted funds | 26 | - | - |
| Unrestricted funds | 26 | 3,578,512 | 3,522,024 |
| Total funds | | 3,578,512 | 3,522,024 |

KENT COUNTY AGRICULTURAL SOCIETY

(A company limited by guarantee)

Registered number: 02556508

**Society balance sheet (continued)
as at 30 September 2021**

The Society's net movement in funds for the year was £56,488 (2020 - £340,675).

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

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

The financial statements were approved and authorised for issue by the Trustees on 10 December 2021 and signed on their behalf by:

Mr J P Forknall



The notes on pages 21 to 45 form part of these financial statements.

KENT COUNTY AGRICULTURAL SOCIETY
(A company limited by guarantee)

Consolidated statement of cash flows
for the year ended 30 September 2021

| | 2021 £ | 2020 £ |
|--|------------------|-----------------|
| Cash flows from operating activities | | |
| Net cash used in operating activities | (50,290) | (128,389) |
| Cash flows from investing activities | | |
| Dividends, interests and rents from investments | 19,548 | 7,545 |
| Proceeds from the sale of tangible fixed assets | - | 581,500 |
| Purchase of tangible fixed assets | - | (1,335) |
| Proceeds from sale of investments | 46,716 | 58,099 |
| Purchase of investments | (291,684) | (95,529) |
| Net cash (used in)/provided by investing activities | (225,420) | 550,280 |
| Cash flows from financing activities | | |
| Increase/(repayments) of borrowing | 202,562 | (61,137) |
| Net cash provided by/(used in) financing activities | 202,562 | (61,137) |
| Change in cash and cash equivalents in the year | (73,148) | 360,754 |
| Cash and cash equivalents at the beginning of the year | 605,578 | 244,824 |
| Cash and cash equivalents at the end of the year | 532,430 | 605,578 |

The notes on pages 21 to 45 form part of these financial statements

KENT COUNTY AGRICULTURAL SOCIETY
(A company limited by guarantee)

Notes to the financial statements
for the year ended 30 September 2021

1. General information

Kent County Agricultural Society is a charity, limited by guarantee, which is incorporated in England and Wales, with the registration number 2556508.

The Society's registered office is County Showground, Detling, Maidstone, Kent, ME14 3JF.

The charitable activities of the Society are to hold the Kent County Show for the exhibition of livestock, farm and horticultural produce, machinery and other things pertaining to agriculture, and to encourage agricultural and horticultural education and for the improvement of agriculture generally.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - 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 Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Kent County Agricultural Society meets the definition of a public benefit entity under FRS 102.

Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The group's functional and presentational currency is Pounds Sterling.

The group's financial statements are presented to the nearest pound.

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

The company has taken advantage of the following disclosure exemptions in preparing its individual financial statements as permitted by FRS 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland".

- the requirements to present a statement of cash flows for the company;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

2.2 Company status

The Society is limited by guarantee and does not have a share capital. The liability of each of the members is limited to such contribution as may be required (not exceeding £1) to the Society's assets if it should be wound up while such person is a member, or within one year after such person ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories themselves.

If upon the winding up or dissolution of the Society there remains a surplus, after the satisfaction of all its debts and liabilities, and property whatsoever, the same shall not be paid to or distributed among the members of the Society and shall be given or transferred to some other charitable institution having objectives similar to the objectives of the Society.

KENT COUNTY AGRICULTURAL SOCIETY
(A company limited by guarantee)

Notes to the financial statements
for the year ended 30 September 2021

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared on a going concern basis.

During the year, the ongoing Covid-19 pandemic continued to have an impact on the Society due to restrictions and lockdowns put in place by the government which restricted the activities of the Society, including the substitution of the Annual County Show with a low key, 2-day Summer Fayre.

The Group have returned to a surplus in the year ended 30 September 2021 and working capital has been boosted by a Coronavirus Business Interruption Loan as well as the awarding of government grants and furlough claims.

The Society performed a reorganisation at the beginning of the year which is achieving its aim to reduce expenditure in respect of staffing and maintenance.

In an adverse financial scenario the share portfolio and investment property could be realised without impacting the Society's charitable objectives.

In all plausible downside scenarios the directors have no reason to believe that the Group would not be able to continue for the foreseeable future.

2.4 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

2.5 Basis of consolidation

The financial statements consolidate the accounts of Kent County Agricultural Society and all of its subsidiary undertakings ('subsidiaries').

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Income and Expenditure account.

KENT COUNTY AGRICULTURAL SOCIETY
(A company limited by guarantee)

Notes to the financial statements
for the year ended 30 September 2021

2. Accounting policies (continued)

2.6 Incoming resources

Annual subscriptions from members are included in the year they are received. Life membership subscriptions are credited to deferred income and released to income in equal installments over twenty years.

Income from the showground letting is recognised as earned.

Investment income is recognised on a receivable basis.

Income from charitable activities is recognised as earned. Grant income is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient certainty.

Where applicable, income is stated exclusive of Value Added Tax and trade discounts.

Grants are included in the Consolidated statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

2.7 Resources expended

Expenditure is recognised when a liability is incurred.

Costs of generating funds are those costs that are incurred in undertaking trading activities that raise funds and in managing the Society's investments.

Charitable activities include the expenditure associated with staging the Kent County Show, Living Land, Farm Expo and in the making of educational awards and bursaries as well as grants to Young Farmers Clubs.

Governance costs include those incurred in the governance of the Society and its assets and are primarily associated with constitutional and statutory requirements.

Support costs include central functions that have been allocated to activity cost categories on a basis consistent with use of resources.

2.8 Tangible fixed assets and depreciation

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment.

KENT COUNTY AGRICULTURAL SOCIETY
(A company limited by guarantee)

Notes to the financial statements
for the year ended 30 September 2021

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation (continued)

Depreciation is not charged on freehold land. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives.

Depreciation is provided on the following bases:

| | |
|-----------------------|---------------------------------|
| Freehold property | - 2% - 12.5% per annum on cost |
| Freehold land | - 0% per annum on cost |
| Plant and machinery | - 12.5% - 25% per annum on cost |
| Motor vehicles | - 25% per annum on cost |
| Fixtures and fittings | - |
| Office equipment | - 33.33% per annum on cost |

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

2.9 Pensions

Pension costs charged against income represent the amount of contributions payable to group personal pension schemes in respect of the accounting year.

2.10 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless fair value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and shown in the heading 'Gains/(losses) on investments' in the Consolidated statement of financial activities, incorporating income and expenditure account.

2.11 Investment property

Investment property is carried at fair value determined annually by the directors with the assistance of external valuers when required and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of financial activities.

2.12 Interest receivable

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the company; this is normally upon notification of the interest paid or payable by the Bank.

2.13 Leasing and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

KENT COUNTY AGRICULTURAL SOCIETY
(A company limited by guarantee)

Notes to the financial statements
for the year ended 30 September 2021

2. Accounting policies (continued)

2.14 Operating leases

Rentals paid under operating leases are charged to the Consolidated statement of financial activities on a straight line basis over the lease term.

2.15 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.16 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.17 Liabilities and provisions

Liabilities are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Society anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

KENT COUNTY AGRICULTURAL SOCIETY
(A company limited by guarantee)

Notes to the financial statements
for the year ended 30 September 2021

2. Accounting policies (continued)

2.18 Financial instruments

The company only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an 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.

KENT COUNTY AGRICULTURAL SOCIETY
(A company limited by guarantee)

Notes to the financial statements
for the year ended 30 September 2021

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires the directors to make judgements, estimates and assumptions that can affect the amounts reported for assets and liabilities, and the results for the year. The nature of estimation is such though that actual outcomes could differ significantly from those estimates.

Critical accounting estimates and assumptions:

Lease commitments

The company has entered into a range of lease commitments in respect of property, plant and equipment. The classification of these leases as either financial or operating leases requires the directors to consider whether the terms and conditions of each lease are such that the company has acquired the risks and rewards associated with the ownership of the underlying assets.

Going concern

In the judgement of the directors it is appropriate to prepare the financial statements in accordance with the going concern basis of accounting. See accounting policy 2.3 for further details.

The following are the company's key sources of estimation uncertainty:

Investment properties

The company holds investment property with a fair value of £525,000 at year end (see note 19). In order to determine the fair value of investment property the directors have used a valuation technique based on comparable market data. The determined fair value of the investment property is most sensitive to fluctuations in the property market.

Tangible fixed assets

The company has recognised tangible fixed assets with a carrying value of £3,661,710 at the reporting date (see note 18). These assets are stated at their cost less provision for depreciation and impairment. The company's accounting policy sets out the approach to calculating depreciation for immaterial assets acquired. For material assets such as land and buildings the company determines at acquisition reliable estimates for the useful life of the asset, its residual value and decommissioning costs. These estimates are based upon such factors as the expected use of the acquired asset and market conditions. At subsequent reporting dates the directors consider whether there are any factors such as technological advancements or changes in market conditions that indicate a need to reconsider the estimates used.

Where there are indicators that the carrying value of tangible assets may be impaired the company undertakes tests to determine the recoverable amount of assets. These tests require estimates of the fair value of assets less cost to sell and of their value in use. Wherever possible the estimate of the fair value of assets is based upon observable market prices less incremental cost for disposing of the asset. The value in use calculation is based upon a discounted cash flow model, based upon the company's forecasts for the foreseeable future which do not include any restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance. The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well expected future cash flows and the growth rate used for extrapolation purposes.

KENT COUNTY AGRICULTURAL SOCIETY
(A company limited by guarantee)

Notes to the financial statements
for the year ended 30 September 2021

4. Donations, legacies and grants

| | 2021 | 2020 |
|--------------------------|-----------------------|----------------|
| | £ | £ |
| Membership subscriptions | 17,734 | 19,681 |
| Donations | - | - |
| Government grants | 196,802 | 148,221 |
| | <u>214,536</u> | <u>167,902</u> |

Government grants includes income totalling £31,066 received from the Coronavirus Job Retention Scheme during the year (2020: £148,221).

5. Income from investments

| | 2021 | 2020 |
|----------------------|----------------------|--------------|
| | £ | £ |
| Interest receivable | 9,712 | 603 |
| Dividends receivable | 9,836 | 6,492 |
| | <u>19,548</u> | <u>7,095</u> |

6. Other income

| | 2021 | 2020 |
|--------------------|----------------------|----------------|
| | £ | £ |
| Profit on disposal | - | 333,096 |
| Other income | 31,947 | 28,698 |
| | <u>31,947</u> | <u>361,794</u> |

7. Incoming resources

These predominantly represent income in relation to the Kent County Summer Fayre, a smaller show held over the traditional County Show weekend and the only Society event able to go ahead in 2021, together with other income, and are stated net of Value Added Tax.

KENT COUNTY AGRICULTURAL SOCIETY
(A company limited by guarantee)

Notes to the financial statements
for the year ended 30 September 2021

8. Taxation

In the view of the directors, the various sources of income attributable to the Society are not liable to Corporation Tax. This position has been confirmed by HM Revenue & Customs in relation to the accounts of the Society for its first accounting period, subject to the Society continuing to apply its income for charitable purposes in accordance with Paragraph 1 Schedule 6 of the Finance Act 2010. The Society was required to submit its accounts and a Corporation Tax self assessment return to HM Revenue & Customs for the year ended 30 September 2009 which indicated that no taxable result arose. It is likely that this position will be reviewed from time to time.

9. Direct costs

| | Total Unrestricted 2021 £ | Total Unrestricted 2020 £ |
|-----------------------------|--|--|
| Finance income and expenses | 71,819 | 65,298 |
| Show expenditure | 335,712 | 322,301 |
| Wages and salaries | 147,319 | 259,643 |
| National insurance | 7,974 | 16,926 |
| Pension cost | 10,213 | 10,659 |
| | 573,037 | 674,827 |

KENT COUNTY AGRICULTURAL SOCIETY
(A company limited by guarantee)

Notes to the financial statements
for the year ended 30 September 2021

10. Support costs for Society Activities

| | Total Unrestricted 2021 £ | Total Unrestricted 2020 £ |
|------------------------------------|--|--|
| Salaries and temporary staff | 141,956 | 254,836 |
| National insurance | 12,677 | 23,521 |
| Pension costs | 8,851 | 14,365 |
| Other employment costs | 396 | 660 |
| | 163,880 | 293,382 |
| Insurance | 24,188 | 26,471 |
| Property and equipment maintenance | 7,855 | 8,251 |
| Depreciation | 134,268 | 134,762 |
| Loss on disposal of fixed assets | 38,486 | - |
| | 204,797 | 169,484 |
| Governance costs | | |
| Audit | 11,155 | 10,575 |
| Accountancy | 4,531 | 4,171 |
| Professional | 14,168 | 30,505 |
| Marketing | 16,460 | 24,135 |
| Society costs | 1,026 | 16,031 |
| | 47,340 | 85,417 |
| | 416,017 | 548,283 |
| Professional fees | | |
| | 2021 £ | 2020 £ |
| Stockbroking | 6,389 | 4,398 |
| Legal | 7,779 | 27,921 |
| Other | - | (1,814) |
| | 14,168 | 30,505 |

KENT COUNTY AGRICULTURAL SOCIETY
(A company limited by guarantee)

Notes to the financial statements
for the year ended 30 September 2021

11. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|------------|--|---------------------------------------|---------------------------------------|
| Society | 989,054 | 989,054 | 1,223,110 |
| Total 2020 | 1,223,110 | 1,223,110 | |

Summary by expenditure type

| | Staff costs 2021 £ | Depreciation 2021 £ | Other costs 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|------------|-----------------------------------|------------------------------------|-----------------------------------|---------------------------------------|---------------------------------------|
| Society | 328,990 | 134,268 | 525,796 | 989,054 | 1,223,110 |
| Total 2020 | 579,950 | 134,762 | 508,398 | 1,223,110 | |

12. Analysis of expenditure by activities

| | Activities undertaken directly 2021 £ | Support costs 2021 £ | Total funds 2021 £ | Total funds 2020 £ |
|------------|--|---|---------------------------------------|---------------------------------------|
| Society | 573,037 | 416,017 | 989,054 | 1,223,110 |
| Total 2020 | 674,827 | 548,283 | 1,223,110 | |

KENT COUNTY AGRICULTURAL SOCIETY
(A company limited by guarantee)

Notes to the financial statements
for the year ended 30 September 2021

13. Auditors' remuneration

| | 2021 £ | 2020 £ |
|--|---------------|---------------|
| Fees payable to the Society's auditor for the audit of the Society's annual accounts | 11,355 | 10,575 |
| Fees payable to the Society's auditor in respect of: | | |
| The auditing of accounts of associates of the company | 1,050 | 1,000 |
| Taxation compliance services | 1,025 | 500 |
| | <u>11,355</u> | <u>10,575</u> |

14. Staff costs

| | Group 2021 £ | Group 2020 £ | Society 2021 £ | Society 2020 £ |
|--|--------------------|--------------------|----------------------|----------------------|
| Wages and salaries | 289,275 | 514,479 | 289,275 | 514,479 |
| Social security costs | 20,651 | 40,447 | 20,651 | 40,447 |
| Contribution to defined contribution pension schemes | 19,064 | 25,024 | 19,064 | 25,024 |
| | <u>328,990</u> | <u>579,950</u> | <u>328,990</u> | <u>579,950</u> |

Included in the prior year wages and salaries are redundancy costs totalling £64,541. There were no redundancy costs included in the current period.

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

| | Group 2021 No. | Group 2020 No. | Society 2021 No. | Society 2020 No. |
|--|----------------------|----------------------|------------------------|------------------------|
| | 13 | 23 | 13 | 23 |
| | <u>13</u> | <u>23</u> | <u>13</u> | <u>23</u> |

No employee received remuneration amounting to more than £60,000 in either year.

The Trustees and Senior Management Team who have the authority and responsibility for planning, directing and controlling the activities of the group are considered to be key management personnel. The Trustees received no remuneration in the year (2020: £Nil) and total remuneration in respect of the Senior Management Team is £179,487 (2020: £187,376).

15. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 30 September 2021, expenses totalling £NIL (2020: £28) were paid to certain Trustees during the year in respect of reimbursement of out of pocket expenses.

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16. Pension costs

The Society makes contributions to a group personal pension scheme in respect of certain members of staff and to an auto enrolment compliant scheme in respect of all other qualifying members of staff. The assets of the schemes are held separately from those of the Society in independently administered funds. The pension cost represents contributions payable by the Society and amounted to £19,064 (2020: £25,024).

17. Interest payable

| | 2021 £ | 2020 £ |
|---|---------------|---------------|
| On other loans | 71,819 | 64,031 |
| On finance leases and hire purchase contracts | - | 1,267 |
| | <u>71,819</u> | <u>65,298</u> |

18. Tangible fixed assets

Group and Society

| | Freehold property £ | Assets in the course of construction £ | Fixtures and fittings £ | Total £ |
|--------------------------|---------------------------|--|-------------------------------|------------------|
| Cost or valuation | | | | |
| At 1 October 2020 | 6,927,965 | 40,311 | 628,798 | 7,597,074 |
| Disposals | - | (38,486) | - | (38,486) |
| At 30 September 2021 | <u>6,927,965</u> | <u>1,825</u> | <u>628,798</u> | <u>7,558,588</u> |
| Depreciation | | | | |
| At 1 October 2020 | 3,234,162 | - | 528,448 | 3,762,610 |
| Charge for the year | 103,048 | - | 31,220 | 134,268 |
| At 30 September 2021 | <u>3,337,210</u> | <u>-</u> | <u>559,668</u> | <u>3,896,878</u> |
| Net book value | | | | |
| At 30 September 2021 | <u>3,590,755</u> | <u>1,825</u> | <u>69,130</u> | <u>3,661,710</u> |
| At 30 September 2020 | <u>3,693,803</u> | <u>40,311</u> | <u>100,350</u> | <u>3,834,464</u> |

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The net book value of assets held under finance or hire purchase contracts, included above, are as follows:

| | 2021 | 2020 |
|---------------------|---------------|--------|
| | £ | £ |
| Plant and machinery | 13,838 | 18,450 |

Included in land and buildings are the following amounts relating to assets on which no depreciation has been charged:

Freehold land: £228,431 (2020: £228,431).

19. Investment property

Group

| | Freehold investment property £ |
|-----------------------------|---|
| Valuation | |
| At 1 October 2020 | 525,000 |
| Surplus on revaluation | - |
| At 30 September 2021 | 525,000 |

The 2021 and 2020 valuations were made by the directors on an open market value for existing use basis.

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20. Fixed asset investments

| Group | Listed investments £ |
|--------------------------|-------------------------------------|
| Cost or valuation | |
| At 1 October 2020 | 405,361 |
| Additions | 291,684 |
| Disposals | (46,906) |
| Revaluations | 51,429 |
| At 30 September 2021 | <u>701,568</u> |
| Net book value | |
| At 30 September 2021 | <u>701,568</u> |
| At 30 September 2020 | <u>405,361</u> |

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20. Fixed asset investments (continued)

| Society | Listed securities £ | Unlisted securities £ | Total £ |
|--------------------------|--------------------------------|----------------------------------|--------------------|
| Cost or valuation | | | |
| At 1 October 2020 | 405,361 | 5 | 405,366 |
| Additions | 291,684 | - | 291,684 |
| Disposals | (46,906) | - | (46,906) |
| Revaluations | 51,429 | - | 51,429 |
| At 30 September 2021 | <u>701,568</u> | <u>5</u> | <u>701,573</u> |
| Net book value | | | |
| At 30 September 2021 | <u>701,568</u> | <u>5</u> | <u>701,573</u> |
| At 30 September 2020 | <u>405,361</u> | <u>5</u> | <u>405,366</u> |

Listed investments are held within the UK. All amounts above related to the general fund.

Subsidiary undertakings

The following were subsidiary undertakings of the Society:

| Name | Class of shares | Holding | Principal activity |
|--|------------------------|----------------|---|
| Kent Event and Exhibition Centre Limited | Ordinary | 100% | Raising funds for the Kent County Agricultural Society by the hire of the showground to outside users |
| Why Farming Matters in Kent Limited | Ordinary | 100% | Dormant |
| Farm Expo Limited | Ordinary | 100% | Dormant |
| Biddenden Tractorfest Limited | Ordinary | 100% | Dormant |

The registered office of the above companies is County Showground, Detling, Maidstone, Kent, ME14 3JF.

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21. Debtors

| | Group 2021 £ | Group 2020 £ | Society 2021 £ | Society 2020 £ |
|-------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Due after more than one year | | | | |
| Other debtors | 22,500 | 22,500 | 22,500 | 22,500 |
| | 22,500 | 22,500 | 22,500 | 22,500 |
| Due within one year | | | | |
| Trade debtors | 214,582 | 47,450 | 62,587 | 36,090 |
| Amounts owed by group undertakings | - | - | 334,237 | - |
| Other debtors | 28,309 | 43,719 | 28,309 | 43,719 |
| | 265,391 | 113,669 | 447,633 | 102,309 |

22. Creditors: Amounts falling due within one year

| | Group 2021 £ | Group 2020 £ | Society 2021 £ | Society 2020 £ |
|---|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Bank loans | 148,121 | 37,828 | 148,121 | 37,828 |
| Trade creditors | 44,695 | 45,764 | 15,753 | 36,419 |
| Amounts owed to group undertakings | - | - | 2 | 45,520 |
| Other taxation and social security | 79,833 | 67,343 | 29,402 | 67,343 |
| Obligations under finance lease and hire purchase contracts | 615 | 7,380 | 615 | 7,380 |
| Other creditors | - | 25,736 | - | 838 |
| Accruals and deferred income | 209,621 | 193,126 | 69,094 | 59,432 |
| | 482,885 | 377,177 | 262,987 | 254,760 |

Deferred income

| | Group £ | Society £ |
|--------------------------------------|--------------------|----------------------|
| Deferred income at 1 October | 159,943 | 49,666 |
| Resources deferred during the year | 132,789 | 11,754 |
| Amounts released from previous years | (122,874) | (12,597) |
| | 169,858 | 48,823 |

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23. Creditors: Amounts falling due after more than one year

| | Group 2021 £ | Group 2020 £ | Society 2021 £ | Society 2020 £ |
|---|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Bank loans | 1,607,836 | 1,508,187 | 1,607,836 | 1,508,187 |
| Net obligations under finance lease and hire purchase contracts | - | 615 | - | 615 |
| Accruals and deferred income | 13,004 | 14,056 | 13,004 | 14,056 |
| | <u>1,620,840</u> | <u>1,522,858</u> | <u>1,620,840</u> | <u>1,522,858</u> |

The aggregate amount of liabilities payable or repayable wholly or in part more than five years after the reporting date is:

| | Group 2021 £ | Group 2020 £ | Society 2021 £ | Society 2020 £ |
|-------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Payable or repayable by instalments | 1,000,124 | 1,186,378 | 1,000,124 | 1,186,378 |
| | <u>1,000,124</u> | <u>1,186,378</u> | <u>1,000,124</u> | <u>1,186,378</u> |

Deferred income represents membership subscriptions in respect of life members and life governors. Amounts received are released to income over a 20 year period.

Bank loans comprise:

i) A bank loan to part finance the Kent Event Centre Exhibition Hall is secured by way of a legal charge on the County Showground. The loan is repayable in monthly instalments over a period of 25 years from 2010, interest is payable at 3.95% per annum.

ii) 3 bank loans to finance the Maidstone Exhibition Hall. The bank loans are secured by way of a legal charge on the County Showground. The loans had a 2 year deferred repayment period after which the loan is repayable by instalments by between 2033 and 2034. Interest is payable at between 4.15% above base rate and 4.35% above base rate per annum.

In the prior year the Society's bankers granted Capital Payment Holidays on the bank loans for 12 months.

iii) A Coronavirus Business Interruption Loan totalling £250,000 from Barclays Bank Plc. The loan is secured by way of a legal charge on the County Showground. The interest charges for the first 12 months are paid by the UK Government by way of a Business Interruption Payment (BIP). Repayments are due to commence from November 2021 when interest will accrued at 3.77% over the Bank of England Base Rate.

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Deferred income

| | Group £ | Society £ |
|--------------------------------------|----------------------|----------------------|
| Deferred income at 1 October | 14,056 | 14,056 |
| Resources deferred during the year | - | - |
| Amounts released from previous years | (1,052) | (1,052) |
| | <u>13,004</u> | <u>13,004</u> |

24. Financial instruments

| | Group 2021 £ | Group 2020 £ | Society 2021 £ | Society 2020 £ |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Financial assets | | | | |
| Financial assets measured at fair value through income and expenditure | <u>1,226,579</u> | <u>930,361</u> | <u>1,226,579</u> | <u>930,361</u> |

Financial assets measured at fair value through income and expenditure comprise of fixed asset investments and investment property.

25. Provisions

Group and Society

| | Redundancy provision £ |
|-------------------|---------------------------------------|
| At 1 October 2020 | 58,151 |
| Amounts used | (58,151) |
| | <u>-</u> |

Redundancy provision

During the year ended 30 September 2020, a decision was made to restructure the organisation. This resulted in a redundancy provision being recognised in the prior year. The provision has been fully utilised this year.

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26. Statement of funds

Statement of funds - current year

| | Balance at 1 October 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 30 September 2021 £ |
|---------------------------------|--------------------------------------|-------------------------|---------------------------|--------------------------|-------------------------|--|
| Unrestricted funds | | | | | | |
| Designated funds | | | | | | |
| Awards Fund | 35,971 | - | - | - | - | 35,971 |
| Tangible fixed assets | 2,804,394 | - | - | (374,256) | - | 2,430,138 |
| Womens Farming Union | 2,160 | - | - | - | - | 2,160 |
| | <u>2,842,525</u> | <u>-</u> | <u>-</u> | <u>(374,256)</u> | <u>-</u> | <u>2,468,269</u> |
| General funds | | | | | | |
| General Funds | <u>683,361</u> | <u>1,089,482</u> | <u>(1,083,257)</u> | <u>374,256</u> | <u>50,263</u> | <u>1,114,105</u> |
| Total Unrestricted funds | <u><u>3,525,886</u></u> | <u><u>1,089,482</u></u> | <u><u>(1,083,257)</u></u> | <u><u>-</u></u> | <u><u>50,263</u></u> | <u><u>3,582,374</u></u> |

Designated funds

(i) The Awards fund represents the balance of funds received from George Lane Hooson and Irene, Lady Astor. By decision of the directors, legacies have been transferred to a designated fund in order to meet the wishes of the testators, although those wishes were not binding. Transfers in the year represent awards granted from the designated fund.

(ii) A designated fund, the Tangible Fixed Asset fund, represents the book value of tangible fixed assets used in the furtherance of the Society's objects less any directly associated borrowings as these are not in the opinion of the directors, part of the Society's free reserves.

(iii) The WFU Fund represents a donation of funds received from the Women's Food and Farming Union (WFU). By the decision of the directors, this donation has been transferred to a designated fund in order to support the activities of the Farming in the Classroom project.

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Notes to the financial statements
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26. Statement of funds (continued)

Statement of funds - prior year

| | Balance at 1 October 2019 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 30 September 2020 £ |
|---------------------------------|--------------------------------------|------------------|--------------------|--------------------------|-------------------------|--|
| Unrestricted funds | | | | | | |
| Designated funds | | | | | | |
| Awards Fund | 36,471 | - | (500) | - | - | 35,971 |
| Tangible fixed assets | 3,139,172 | - | - | (334,778) | - | 2,804,394 |
| Womens Farming Union | 2,171 | 7 | (18) | - | - | 2,160 |
| | <u>3,177,814</u> | <u>7</u> | <u>(518)</u> | <u>(334,778)</u> | <u>-</u> | <u>2,842,525</u> |
| General funds | | | | | | |
| General Funds | <u>398,294</u> | <u>1,326,446</u> | <u>(1,380,479)</u> | <u>334,778</u> | <u>4,322</u> | <u>683,361</u> |
| Total Unrestricted funds | <u>3,576,108</u> | <u>1,326,453</u> | <u>(1,380,997)</u> | <u>-</u> | <u>4,322</u> | <u>3,525,886</u> |

27. Summary of funds

Summary of funds - current year

| | Balance at 1 October 2020 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 30 September 2021 £ |
|------------------|--------------------------------------|------------------|--------------------|--------------------------|-------------------------|--|
| Designated funds | 2,842,525 | - | - | (374,256) | - | 2,468,269 |
| General funds | 683,361 | 1,089,482 | (1,083,257) | 374,256 | 50,263 | 1,114,105 |
| | <u>3,525,886</u> | <u>1,089,482</u> | <u>(1,083,257)</u> | <u>-</u> | <u>50,263</u> | <u>3,582,374</u> |

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27. Summary of funds (continued)

Summary of funds - prior year

| | Balance at 1 October 2019 £ | Income £ | Expenditure £ | Transfers in/out £ | Gains/ (Losses) £ | Balance at 30 September 2020 £ |
|------------------|--------------------------------------|------------------|--------------------|--------------------------|-------------------------|--|
| Designated funds | 3,177,814 | 7 | (518) | (334,778) | - | 2,842,525 |
| General funds | 398,294 | 1,326,446 | (1,380,479) | 334,778 | 4,322 | 683,361 |
| | <u>3,576,108</u> | <u>1,326,453</u> | <u>(1,380,997)</u> | <u>-</u> | <u>4,322</u> | <u>3,525,886</u> |

28. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2021 £ | Total funds 2021 £ |
|--------------------------------------|--|---------------------------------------|
| Tangible fixed assets | 3,661,710 | 3,661,710 |
| Fixed asset investments | 701,568 | 701,568 |
| Investment property | 525,000 | 525,000 |
| Debtors due after more than one year | 22,500 | 22,500 |
| Current assets | 775,321 | 775,321 |
| Creditors due within one year | (482,885) | (482,885) |
| Creditors due in more than one year | (1,620,840) | (1,620,840) |
| Total | <u>3,582,374</u> | <u>3,582,374</u> |

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28. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

| | Unrestricted funds 2020 £ | Total funds 2020 £ |
|--|------------------------------------|-----------------------------|
| Tangible fixed assets | 3,834,464 | 3,834,464 |
| Fixed asset investments | 405,361 | 405,361 |
| Investment property | 525,000 | 525,000 |
| Debtors due after more than one year | 22,500 | 22,500 |
| Current assets | 696,747 | 696,747 |
| Creditors due within one year | (377,177) | (377,177) |
| Creditors due in more than one year | (1,522,858) | (1,522,858) |
| Provisions for liabilities and charges | (58,151) | (58,151) |
| Total | 3,525,886 | 3,525,886 |

29. Reconciliation of net movement in funds to net cash flow from operating activities

| | Group 2021 £ | Group 2020 £ |
|--|--------------------|--------------------|
| Net income/expenditure for the year (as per Statement of Financial Activities) | 56,488 | (50,222) |
| Adjustments for: | | |
| Depreciation charges | 134,268 | 134,762 |
| Losses on investments | (51,239) | (4,472) |
| Dividends, interests and rents from investments | (19,548) | (7,545) |
| (Increase)/decrease in debtors | (151,722) | 22,860 |
| Increase in creditors | 1,129 | 54,350 |
| (Decrease)/increase to provisions | (58,151) | 41,951 |
| Profit on disposal of fixed asset | 38,485 | (320,073) |
| Net cash used in operating activities | (50,290) | (128,389) |

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30. Analysis of cash and cash equivalents

| | Group 2021 £ | Group 2020 £ |
|--|-----------------------------|-----------------------------|
| Cash in hand | 532,430 | 605,578 |
| Total cash and cash equivalents | 532,430 | 605,578 |

31. Analysis of changes in net debt

| | At 1 October 2020 £ | Cash flows £ | At 30 September 2021 £ |
|--------------------------|--|-------------------------|---|
| Cash at bank and in hand | 605,578 | (73,148) | 532,430 |
| Debt due within 1 year | (37,828) | (110,293) | (148,121) |
| Debt due after 1 year | (1,508,187) | (99,649) | (1,607,836) |
| Finance leases | (7,995) | 7,380 | (615) |
| | (948,432) | (275,710) | (1,224,142) |

32. Operating lease commitments

At 30 September 2021 the Group and the Society had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

| | Group 2021 £ | Group 2020 £ | Society 2021 £ | Society 2020 £ |
|--|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Not later than 1 year | 13,880 | 13,880 | 13,880 | 13,880 |
| Later than 1 year and not later than 5 years | 26,661 | 40,421 | 26,661 | 40,421 |
| Later than 5 years | - | 300 | - | 300 |
| | 40,541 | 54,601 | 40,541 | 54,601 |

33. Related party transactions

During the year, the charity incurred expenditure totalling £663 (2020: £Nil) from JPF Farms, an entity controlled by J Forknall. J Forknall is the Chairman of the charity. There were no amounts outstanding at the year end to JPF Farms (2020: £Nil).

There were no related party transactions during the year ended 30 September 2020.

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34. Controlling party

There is no ultimate controlling party.