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THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

FINANCIAL STATEMENTS

FOR

31 OCTOBER 2016

CLIENT COPY

Company Registration Number 03146325
Charity Number 1067224

ARMSTRONG WATSON AUDIT LIMITED
Chartered Accountants & Statutory Auditors
Fairview House
Victoria Place
Carlisle, Cumbria
CA1 1 HP

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2016

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THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

REFERENCE AND ADMINISTRATIVE INFORMATION

The trustees	Mr C.H. Bagot Mrs K.L. Barnes Mr J.E. Barton Miss L.D. Bennett Mr C.I. Briggs Mrs J.M. Buckley Mr D. Crayston Mr C.J. Davies Mr J.A. Dixon Mr B.N. Dowker Mr A. Duckett Mr P.A. Duckett Mr D.R. Galbraith Mr C.D. Geldard Mr I.K. Grisedale Mr D.R. Martin Mr J.C. Mason Mr A.J. Pratt Mr S. Procter Mr W.H. Robinson The following are the trustees of the land: - Mr J.A. Geldard FRAgS Mr A. Duckett Mr S. Procter Mr J.A. Dixon
Chief executive and company secretary	Mrs C.A. Knipe ARAgS
Registered office	Lane Farm Crooklands Milnthorpe Cumbria LA7 7NH
Company registration number	03146325
Charity name and number	The Westmorland County Agricultural Society Limited 1067224
Auditors	Armstrong Watson Audit Limited Chartered Accountants & Statutory Auditors Fairview House Victoria Place Carlisle Cumbria CA1 1HP
Solicitors	Thomson Hayton Winkley Regent House 25 Crescent Road Windermere Cumbria LA23 1BJ

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

TRUSTEES' ANNUAL REPORT

YEAR ENDED 31 OCTOBER 2016

The trustees (also directors for the purposes of the Companies Act) present their report together with the financial statements of the charity for the year ended 31 October 2016.

STRUCTURE, MANAGEMENT AND GOVERNANCE

Governing Document

Westmorland County Agricultural Society is a private charitable company limited by guarantee, not having share capital, under the Companies Act 2006. The society was registered as a charity on the 10th January 1964; its registration number is 1067224 and the company number is 03146325.

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

Membership of the Society is open to anyone who has completed the appropriate form and paid the subscription due annually. Any person desiring to become a voting member of the Society shall be nominated by a member, with the application accepted or rejected by the Management Committee. Members elect the Management Committee, in accordance with the Memorandum and Articles of Association, at the Annual General Meeting. Members are elected to serve on the Management Committee for a period of 3 years.

Appointment of Trustees

Under the Articles of Association the Members of the Board of Directors (referred to as the Planning and Development Committee) are the Charity Trustees and Company Directors. The Board of Directors consists of the following:

- The Chairman and Vice-Chairman of the Management Committee, the Showfield Director and Treasurer, who shall be elected by the members present at the Annual General Meeting and
- not more than sixteen and not less than eight members of the Management Committee, who are elected to serve a period of 3 years by the Management Committee.

Trustees' Induction and Training

All trustees are familiar with the work of the charity and regularly attend meetings of the Board.

New trustees are briefed on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making processes and recent financial performance of the charity. Trustees are encouraged to attend external training events appropriate to their role.

Organisational Structure

The Management Committee have ultimate control over the management and operation of the Society and meet on a regular basis, currently quarterly. However, the Board of Directors, as advised by the Management Committee, are responsible for the management and administration of the Society's funds and assets and the maintenance and development of the Society's land and property, and for the organisation and management of shows and activities within the objects of the Society and according to the general policy of the Society. The Board of Directors meet on a regular basis, currently five times per year.

In accordance with the Memorandum and Articles of Association the Management Committee may establish other committees for specific purposes. During the year the following such committees operated, reporting as appropriate to the Board of Directors and on to the Management Committee:

The Rural Links Committee, the Sheep Committee, the Cattle Committee, the Light Horse Committee, the Food Hall Committee, the Country Fest Committee, the Wrestling Committee, the Safety Committee, the Sponsorship & Marketing Committee and the Chris Lambert Bursary Committee.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

TRUSTEES' ANNUAL REPORT *(CONTINUED)*

YEAR ENDED 31 OCTOBER 2016

The trustees employ a Chief Executive to manage the day-to-day operations of the charity. To facilitate effective operations the Chief Executive has delegated authority for operational matters, including finance, and is supported by a permanent staff.

Risk Management Statement

The trustees have carried out a risk reduction assessment of the operational risks associated with the charity. In addition, reviews of both the operational and financial risks are ongoing. These involve identifying the types of risks the charity faces, prioritising them in terms of potential impact and likelihood of occurrence, and identifying means of mitigating the risks. As part of this process the trustees review the adequacy of the charity's current internal controls.

OBJECTIVES AND ACTIVITIES

To promote and improve agriculture, horticulture, allied industries, rural crafts, the breeding of livestock, forestry and conservation and in particular in the old county of Westmorland and those parts of adjoining counties which are within a fifty five mile radius of Lane Farm, Crooklands, Milnthorpe, Cumbria.

REVIEW OF ACHIEVEMENTS AND PERFORMANCE

A review of the society's developments, activities and achievements is included in the attached Chief Executive's Annual Report.

PUBLIC BENEFIT

The Trustees confirm that they have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing the charity's aims and objectives and in planning the future activities of the Society. The Trustees believe that through attendance at the Westmorland County Show and Country Fest, participation in various training courses held and other Society events, they are providing benefit to members of the public from all walks of life through the enjoyment and educational opportunities of the activities.

FINANCIAL REVIEW

Review of charity's financial position

The charity adopts strict procedures in monitoring its accounts on a regular basis. Due to sound financial management and the significant support of its staff and volunteers, a positive financial outcome for the year has been generated. In the year there has been a net increase of funds amounting to £142,309. Prior to adjustments of gains on revaluation of investments, the net decrease is £22,304.

Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are the free reserves of the charity, at a level which equates to approximately two years' costs for the annual show. This provides sufficient funds to cover management, administration and support costs in the event of adverse conditions beyond the Society's control. Unrestricted funds were maintained at this level throughout the year. In addition, income generating investments are being maintained to permit the Society to fund the activities it decides to pursue in accordance with its charitable purpose.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

TRUSTEES' ANNUAL REPORT *(CONTINUED)*

YEAR ENDED 31 OCTOBER 2016

Investment policy and performance

The trustees have approved an investment policy that aims to maintain the real value of capital and income whilst achieving a favorable return. Restrictions are in place that assist the charity in minimising its risk.

During the year the investments generated income of £59,993 for the Society. However, movement in the value of the investments at the year-end date resulted in unrealised gains of £177,380. The trustees remain pleased with this year's performance of the investments, which has exceeded expectations. The investment strategy is reviewed annually by the trustees who also receive regular reports from the investment manager as to the portfolio's performance.

PLANS FOR FUTURE PERIODS

The charity plans to continue existing activities in the forthcoming years in pursuance of its aims and objectives:

- Maintain and develop the annual Westmorland County Show, whilst retaining the agricultural emphasis.
- Maximise the revenue for the Society's assets whilst maintaining support for agriculturally related projects.
- Maintain and develop links with the educational sector.

THE TRUSTEES

The trustees who served the charity during the year were as follows:
Mr S. Procter
Mr J.A. Dixon
Mr J.C. Mason
Mrs J.M. Buckley
Mr D.R. Galbraith
Mr C.D. Geldard
Mr A.J. Pratt
Mr I.K. Grisedale
Mr A. Duckett
Mr P.A. Duckett
Mr J.E. Barton
Miss L.D. Bennett
Mr C.H. Bagot
Mr C.I. Briggs
Ms C.J. Hodgson (resigned 24 February 2016)
Mrs K.L. Barnes
Mr C.J. Davies
Mr B.N. Dowker
Mr D. Martin
Mr W.H. Robinson
Mr D. Crayston (appointed 24 February 2016)

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

TRUSTEES' ANNUAL REPORT *(CONTINUED)*

YEAR ENDED 31 OCTOBER 2016

Related Parties

The Society, through its activities, has a number of transactions with its trustees and their immediate family members. These transactions are at arms length and are considered at Board level. The details of these transactions are disclosed in note 14 to the accounts.

Arrangements for Setting Pay and Remuneration of Key Management Personnel

The directors consider the board of directors, who are the charity's trustees, and the senior staff comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. All directors give of their time freely and no director received remuneration in the year. Details of directors' expenses and related party transactions are disclosed in note 14 to the accounts. Remuneration for all staff is reviewed annually by the board.

RESPONSIBILITIES OF THE TRUSTEES'

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity at the end of the period and of the surplus or deficiency for the period then ended.

In preparing those financial statements, the trustees are required to select suitable accounting policies, as described on pages 13 to 15, and then apply them on a consistent basis, making judgements and estimates that are prudent and reasonable. The trustees must also prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue in business.

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

In accordance with company law, as the company's directors, we certify that

- so far as we are aware, there is no relevant audit information of which the company's auditors are unaware; and
- as the trustees of the company we have taken all the steps that we ought to have taken in order to make ourselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

A resolution that Armstrong Watson Audit Limited be re-appointed as auditors for the Charity for the ensuing year will be put to the Annual General Meeting in accordance with section 487(2) of the Companies Act 2006.

Registered office:
Lane Farm
Crooklands
Milnthorpe
Cumbria
LA7 7NH

Signed by order of the Trustees

Mrs C. A. Knipe ARAgS
Company Secretary

Approved by the trustees on 11/02/2017

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

CHIEF EXECUTIVE'S ANNUAL REPORT

YEAR ENDED 31 OCTOBER 2016

2016 has been an incredibly tough year for British agriculture with seriously depressed prices in almost every sector and a global commodity downturn, which is proving difficult to predict going forward. Whilst even an optimist would find it challenging to put a positive spin on the current state of the farming industry, it is reassuring the fortunes of Westmorland County Agricultural Society continue to progress.

Well, some would say we were due a wet one! Despite the morning's heavy downpours an estimated 26,500 visitors nevertheless streamed through the gates for the 217th Westmorland County Show. With every sheep pen allocated and taking full advantage of the new metal hurdles, a record 1,038 entries exhibited in the sheep section, whilst the cattle section again saw an increase in entries, with exceptional quality throughout. There was keen competition in the Young Handler classes too with increased entries in both cattle and sheep sections. The Poultry section was deemed to have "the best show ever of birds at Crooklands", the champion pig travelled from Warwickshire and the Alpaca section closed, with entries at capacity, just 3 weeks after opening. Entries in the equine section were slightly reduced, but nevertheless attracted an excellent standard. TV Chef, Phil Vickery, made a welcome return to the Food Theatre which saw packed audiences for all 8 of the demonstrations.

There were challenges to be faced with traffic congestion on most approach routes. A number of accidents, localised flooding, muddy car parks and the closure of Moss End lane contributed to traffic delays, all of which is under review for next year. Sincere thanks are recorded to the Inmans and Sowerbys for providing additional public parking.

Not surprising, the marquees were full of people all day; magnificent displays were on view in *Learning for Life,* the WI's theme of *Children's Literature* inspired over 1,000 entries from institutes throughout the county and a record 69 local producers exhibited in the re-designed Food Hall. The new coach meeting point on Stainton Lane provided a much needed off-road facility and with a record 2,500 children and staff from 62 schools attending this was certainly put to good use. Members benefitted from an extended Members' Terrace and the new drainage proved invaluable in the inclement weather. Meanwhile, competitors in the Cumberland & Westmorland wrestling area, including a 14-stone World Championship, played to an absolutely packed ringside, whilst the Cumbrian Axemen delighted the crowds with their breath-taking demonstrations.

Alongside an array of new sponsors, a huge thank you to all the visitors, exhibitors, volunteer steward and judges who supported the 217th County Show – showing the true spirit of Westmorland.

In contrast, sunshine from beginning to end greeted a record crowd for the 8th Country Fest, continuing its appeal as a family-focussed event. Poultry and Rabbit shows and a 1km mini trail for youngsters were added to the wide range of activities, with Cumbria YFC Tug of War final and RBST's Young Shepherd event also proving very popular alongside the established sections. Country Fest continues to grow and is fast becoming the go-to family event of the summer for both locals and visitors.

With a diary clash, sadly the YFC Stockjudging event was not as well supported, but entries for the annual silage competition, sponsored by Massey Feeds, were the second highest. The hedging competition, part of the LWHLA Grand Prix series, included a new Starter Class, an initiative supported by HRH Prince of Wales, giving youngsters a mix of training and competitive opportunities as an introduction to the traditional craft. Members also enjoyed a farm walk to Whinfell Park, very kindly hosted by the Jenkinson family, whilst the annual President's barbeque was held at Sunny Bank Farm, kindly hosted by Chairman David and Carol Galbraith.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

CHIEF EXECUTIVE'S ANNUAL REPORT *(CONTINUED)*

YEAR ENDED 31 OCTOBER 2016

We are delighted that Miss Rebecca Fearon joined the staff team in February, focussing on PR and sponsorship.

In line with our charitable objectives, the promotion of agriculture and education remain at the forefront of Society activities. Westmorland's "*Farm to Fork Roadshow*" continues to grow in popularity, with members showcasing a selection of animals and Society displays linking food and farming. A new venture saw the team heading to a Manchester primary school where all 520+ pupils visited our "farm" set up on their playing fields. Practical training courses also increased, particularly following legislative changes to pesticide regulations and Newton Rigg College extended the apprenticeship courses held at Lane Farm. The Society continues our involvement with the initiative known as Innovation for Agriculture. Established by RASE, IFA seeks to link research and practise through a network of agricultural societies. With increased opportunities in the local area, it is very pleasing that activity in the meeting rooms has seen positive improvement and interest in the Showground also continues to increase.

Following the devastating floods in December 2015, Westmorland Agricultural Society, along with ten other organisations, formed the new Cumbria Farm Flood Action Group (CFFAG). Initial work involved assessing the scale and extent of the damage caused by Storm Desmond, followed by practical support for those affected including help in accessing government funding and completing the arduous application forms. CFFAG's work was recognised with the Farmers Guardian Farming Hero of the Year Award.

Personally, I am honoured to be elected national Chairman of the Association of Shows and Agricultural Organisations (ASAO) and have thoroughly enjoyed my first year in post. Westmorland are long-standing members of the association, which encourages and shares best practise amongst almost 300 agricultural shows and events nationally.

On behalf of the Society, I acknowledge and sincerely thank the many Members who continue to ensure the success of our events and activities through their individual support, their service on Board, Management and other Committees throughout the year, as well as their invaluable contribution as volunteer stewards. Westmorland County Agricultural Society is very fortunate that so many do give generously of their time and expertise, without which the Show and our extended work could not be enjoyed by so many. The Society is clearly focussed on the future of the County Show and utilising its assets to ensure a well-placed and vibrant organisation fit for purpose.

Christine Knipe ***ARAgS***
Chief Executive

January 2017

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

YEAR ENDED 31 OCTOBER 2016

We have audited the financial statements of The Westmorland County Agricultural Society Limited for the year ended 31 October 2016 which comprise the Statement of financial activities incorporating income and expenditure account, the Balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards. (United Kingdom Generally Accepted Accounting Practice).

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. 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 opinion we have formed.

RESPECTIVE RESPONSIBILITIES OF THE TRUSTEES AND AUDITOR

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.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 October 2016 and of its 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 Practices; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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 WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS

YEAR ENDED 31 OCTOBER 2016

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

JEAN CARROLL
Senior Statutory Auditor
for and on behalf of
Armstrong Watson Audit Limited
Chartered Accountants
& Statutory Auditors
CARLISLE

22 February 2017

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)

YEAR ENDED 31 OCTOBER 2016

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
INCOME					
Income from generated funds:					
Donations and legacies					
Subscriptions		**18,492**	-	**18,492**	17,458
Donations		**1,000**	-	**1,000**	1,000
Income from other trading activities					
Grazing and land letting, etc		**69,974**	-	**69,974**	146175
Room hire		**35,847**	-	**35,847**	34,708
Investment income					
- Investment income	3	**59,993**	-	**59,993**	69,443
- Interest receivable		**143**	-	**143**	79
Income from charitable activities	2	**450,219**	-	**450,219**	473,205
TOTAL INCOMING RESOURCES		**635,668**	-	**635,668**	742,068
EXPENDITURE					
Costs on raising funds					
Grazing and land letting, etc		**22,177**	-	**22,177**	60,893
Room hire		**38,414**	-	**38,414**	43,654
Investment manager fees		**5,298**	-	**5,298**	3,503
Charitable activities		**592,083**	-	**592,083**	547,000
TOTAL EXPENDITURE		**657,972**	-	**657,972**	655,050
NET INCOME /EXPENDITURE BEFORE INVESTMENTS		**(22,304)**	-	**(22,304)**	87,018

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) *(CONTINUED)*
YEAR ENDED 31 OCTOBER 2016

	Note	Unrestricted Funds £	Restricted Funds £	Total Funds 2016 £	Total Funds 2015 £
NET INCOME /EXPENDITURE BEFORE INVESTMENTS CARRIED FORWARD		**(22,304)**	**-**	**(22,304)**	87,018
Realised losses on disposal of fixed asset investments		**12,767**	**-**	**12,767**	(5,664)
Unrealised losses/(gains) on revaluation of investments		**(177,380)**	**-**	**(177,380)**	(40,103)
NET MOVEMENT IN FUNDS RELATING TO THE YEAR		**142,309**	**-**	**142,309**	41,251
Balances brought forward		**4,239,482**	**-**	**4,239,482**	4,198,231
Balances carried forward		**4,381,791**	**-**	**4,381,791**	4,239,482

The Statement of Financial Activities (including Income and Expenditure Account) includes all gains and losses recognised in the year..
All of the activities of the charity are classed as continuing.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

COMPANY REGISTRATION NUMBER 03146325

BALANCE SHEET

31 OCTOBER 2016

	Note	31st October 2016		31st October 2015
		£	£	£
FIXED ASSETS				
Tangible assets	7		**2,348,871**	2,315,127
Investments	3		**2,007,852**	1,846,250
			4,356,723	4,161,377
CURRENT ASSETS				
Debtors	8	**27,669**		38,995
Investments	9	**35,634**		34,809
Stock		**264**		-
Cash at bank and in hand		**207,956**		231,100
		271,523		304,904
CREDITORS: Amounts falling due within one year	10	**(147,689)**		(112,311)
NET CURRENT ASSETS			**123,834**	192,593
TOTAL ASSETS LESS CURRENT LIABILITIES			**4,480,557**	4,353,970
CREDITORS: Amounts falling due after more than one year	11		**(98,766)**	(114,488)
NET ASSETS			**4,381,791**	4,239,482
FUNDS				
Unrestricted:				
Designated funds	12		**774,740**	581,056
Other charitable funds			**3,607,051**	3,658,426
			4,381,791	4,239,482

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

These financial statements were approved by the trustees on the 1/02/2017, and are signed on their behalf by:

Mr D.R. Galbraith
Trustee

Mr S. Procter
Trustee

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2016

1. ACCOUNTING POLICIES

Statement of compliance

The Westmorland County Agricultural Society Limited is a limited company incorporated in England and Wales. The address of its registered office is Lane Farm, Crooklands, Milnthorpe, Cumbria, LA7 7NH.

The principal activity of the company is the promotion and improvement of agriculture, horticulture and other rural activities.

These financial statements have been presented in Pound Sterling as this is the currency of the primary economic environment in which the Company operates.

Basis of accounting

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) - (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) and the Companies Act 2006.

Westmorland County Agricultural Society Limited 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.

Income

All income is included in the Statement of Financial Activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policies are applied to particular categories of income:

Voluntary income is received by way of grants, donations and gifts and is included in full in the Statement of Financial Activities when receivable. Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Donated services or facilities, which comprise donated services, are included in income at a valuation which is an estimate of the financial cost borne by the donor where such a cost is quantifiable and measurable. No income is recognised where there is no financial cost borne by a third party.

Capital Grants received specifically to provide fixed assets are recognised in the Statement of Financial Activities as income in the period of entitlement. The trustees have created designated funds for such grants, which are being reduced over the useful economic life of the asset in line with its depreciation.

Fixed asset investment income is credited to the Statement of Financial Activities in the period of receipt. Rental income is included in the accounts on an accruals basis.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2016

1. ACCOUNTING POLICIES *(continued)*

Financial Instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Stock

Stock of branded merchandise is valued at the lower of cost and net realisable value on a first in first out basis.

Expenditure

Expenditure is recognised on an accruals basis as a liability is incurred.

Costs of raising funds comprise the costs associated with attracting voluntary income and the costs of investment management.

Charitable expenditure comprises those costs incurred by the charity in the delivery of its activities and services for its beneficiaries. It includes both costs that can be allocated directly to such activities and those costs of an indirect nature necessary to support them.

Governance costs include those costs associated with meeting the constitutional and statutory requirements of the charity and include the audit fees and costs linked to the strategic management of the charity.

Depreciation

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Buildings	Over 50 years
Plant and Machinery	20% Straight Line
Fixtures and Fittings	20% Straight Line
Motor Vehicles	25% Straight Line
Roads	20% Straight Line
Computer Equipment	50% Straight Line

Investment properties are valued at open market value at the balance sheet date. This valuation is at trustees' estimate as they do not believe that the expense of a professional valuation is in the interests of the members.

Investments

Investments held as fixed assets are revalued at mid-market value at the balance sheet date and the gain or loss taken to the Statement of Financial Activities.

Investments held as current assets are cash balances held with the investment managers which have not been invested in long term investments.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2016

1. ACCOUNTING POLICIES *(continued)*

Fund Accounting

Unrestricted funds are available to use at the discretion of the trustees in furtherance of the general objectives of the charity.

Designated funds are unrestricted funds earmarked by the Board of Trustees for particular purposes.

Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

Key Estimations and Judgements

The preparation of these financial statements requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

Judgements and estimates are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(a) Establishing useful economic lives for depreciation purposes of property, plant and equipment

The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The trustees regularly review these assets useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2016

1. ACCOUNTING POLICIES *(continued)*

significant impact on depreciation charges for the period. Details of the depreciation policies based on estimated useful economic lives are included in accounting policies.

2. INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

	Unrestricted Funds £	**Restricted Funds** £	**Total Funds 2016** £	Total Funds 2015 £
Show income	**382,990**	**-**	**382,990**	417,069
Room and office hire	**11,442**	**-**	**11,442**	11,271
Vocational training scheme	**45,574**	**-**	**45,574**	34,685
Profit on disposal of fixed assets	**84**		**84**	480
Other income	**10,219**	**-**	**10,219**	9,700
	450,219	**-**	**450,219**	473,205

In 2015, the total income from charitable activities of £473,205 was to unrestricted funds.

3. INVESTMENTS

	Value 31st October 2016 £	Value 31st October 2015 £	**Income 2016** £	Income 2015 £
UK quoted investments	**2,007,852**	1,846,250	**59,993**	69,443

In 2015, of the total income from Investments £69,443 was to unrestricted funds.

Movement in market value

	2016 £	2015 £
Market value at 1 November 2015	**1,846,250**	1,873,697
Acquisitions at cost	**103,110**	189,838
Disposals at opening book value	**(118,888)**	(177,182)
Net (losses)/gains on revaluations in the period ended 31 October 2016	**177,380**	(40,103)
Market value at 31 October 2016	**2,007,852**	1,846,250
Historical cost at 31 October 2016	**1,336,951**	1,341,482

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2016

4. TOTAL EXPENDITURE

	Unrestricted Funds	Restricted Funds	Total Funds 2016	Total Funds 2015
	£	£	£	£
Activities for generating funds	**83,750**	**-**	**83,750**	108,050
Show expenses	**358,028**	**-**	**358,028**	329,369
Room hire, courses etc	**6,286**	**-**	**6,286**	6,685
Other charitable expenses	**179,690**	**-**	**179,690**	181,405
Governance	**30,218**	**-**	**30,218**	29,541
	657,972	**-**	**657,972**	655,050

In 2015, the total expenditure of £655,050 was to unrestricted funds.

	Charitable Activities				
	Show	Room hire, courses etc	Other	Total 2016	Total 2015
	£	£	£	£	£
Salaries	**35,950**	**-**	**95,851**	**131,801**	111,525
Office costs	**25,741**	**890**	**10,663**	**37,294**	35,539
Subscriptions & donations	**-**	**-**	**1,682**	**1,682**	2,555
Legal & professional	**-**	**-**	**1,614**	**1,614**	-
Depreciation	**-**	**-**	**46,932**	**46,932**	41,962
Rural links	**-**	**-**	**1,817**	**1,817**	9,767
C Lambert Bursary	**-**	**-**	**2,227**	**2,227**	2,063
Audit & accountancy fees	**-**	**-**	**5,800**	**5,800**	5,300
Training	**-**	**-**	**1,764**	**1,764**	1,764
Showground proposals	**-**	**-**	**-**	**-**	300
Bad debts written off	**-**	**-**	**-**	**-**	99
Other expenses	**296,337**	**5,396**	**59,419**	**361,152**	336,126
	358,028	**6,286**	**227,769**	**592,083**	547,000

The table above does not include costs in respect of expenditure for raising funds.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2016

4. TOTAL RESOURCES EXPENDED *(continued)*

These accounts include accruals in respect of out-of-pocket expenses to be paid to the following trustees:

	£
Mr D R Galbraith	1,300
Mr S Procter	600
Mr P Duckett	1,000
Mrs K Barnes	750

The aggregate payroll costs were:

	2016	2015
	£	£
Wages and salaries	**117,331**	106,704
Social security costs	**6,807**	6,432
	124,138	113,136

No employee received emoluments of more than £60,000 (2015 nil).

No trustees received any remuneration during the year (2015 same).

Remuneration to key management personnel totalled £50,140 (2015 £48,939).

Particulars of employees:

The average number of staff employed by the charity during the financial year amounted to:

	2016	2015
	No.	No.
Number of administrative staff	**5**	5
Other staff	**2**	2

5. NET INCOMING/(OUTGOING) RESOURCES FOR THE YEAR

This is stated after charging:-

	2016	2015
	£	£
Depreciation	**46,932**	41,962
Auditors' remuneration		
- Audit services	**5,500**	5,150

6. TAXATION

The charitable company is exempt from corporation tax on its charitable activities.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2016

7. TANGIBLE FIXED ASSETS

	Freehold Property £	Plant & Equip't £	Fixtures & Fittings £	Motor Vehicles £	Investment Property £	Total £
COST						
At 1 Nov 2015	**2,514,058**	**207,008**	**37,533**	**16,228**	**364,712**	**3,139,539**
Additions	**39,641**	**41,035**	**-**	**-**	**-**	**80,676**
Disposals	**-**	**(19,571)**	**-**	**-**	**-**	**(19,571)**
At 31 Oct 2016	**2,553,699**	**228,472**	**37,533**	**16,228**	**364,712**	**3,200,644**
DEPRECIATION						
At 1 Nov 2015	**604,394**	**153,035**	**29,662**	**16,228**	**21,093**	**824,412**
Charge for the year	**28,563**	**16,371**	**1,998**	**-**	**-**	**46,932**
Disposals	**-**	**(19,571)**	**-**	**-**	**-**	**(19,571)**
At 31 Oct 2016	**632,957**	**149,835**	**31,660**	**16,228**	**21,093**	**851,773**
NET BOOK VALUE						
At 31 Oct 2016	**1,920,742**	**78,637**	**5,873**	**-**	**343,619**	**2,348,871**
At 31 Oct 2015	1,909,664	53,973	7,871	-	343,619	2,315,127

The investment property was transferred on 1st June 2005 at historical cost. The trustees believe this valuation to be appropriate at the year end as open market value.

8. DEBTORS

	2016 £	2015 £
Trade debtors	**21,294**	25,860
VAT recoverable	**-**	6,255
Prepayments	**6,375**	6,880
	27,669	38,995

9. INVESTMENTS

	2016 £	2015 £
Stockbroker Dealing Account	**33,124**	29,454
Stockbroker Dealing Account-Bursary	**-**	295
Stockbroker Income Account	**200**	200
Stockbroker Income Account-Bursary	**2,310**	4,860
	35,634	34,809

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2016

10. CREDITORS: Amounts falling due within one year

	2016	2015
	£	£
Bank loan	**15,252**	15,252
Trade creditors	**88,726**	58,036
PAYE and social security	**2,576**	2,350
Accruals and deferred income	**41,098**	36,673
VAT payable	**37**	-
	147,689	112,311

11. CREDITORS: Amounts falling due after one year

	2016	2015
	£	£
Bank loan	**98,766**	114,488
	98,766	114,488

The bank loan is secured by a legal charge on land at Deepthwaite, Crooklands.

Creditors include amounts not wholly repayable within 5 years as follows:

	2016	2015
	£	£
Repayable by instalments	**68,055**	68,055

12. DESIGNATED FUNDS

	Movement in resources:				
	Balance at 1 Nov 2015	**New designations/ investment income**	**Utilised/ Released**	**Investment Revaluation**	**Balance at 31 Oct 2016**
	£	**£**	**£**	**£**	**£**
Chris Lambert Bursary Fund	**51,387**	**2,802**	**(2,227)**	**7,941**	**59,903**
Farm and Food Business Development and Resource Centre	**15,901**	**-**	**(516)**	**-**	**15,385**
Revaluation Fund	**504,768**	**-**	**-**	**188,684**	**693,452**
Building fund	**9,000**	**-**	**(3,000)**	**-**	**6,000**
	581,056	**2,802**	**(5,743)**	**196,625**	**774,740**

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2016

12. DESIGNATED FUNDS *(continued)*

In recognition of all Mr Lambert's efforts, particularly his willingness and support in helping others, the Society have set up the Chris Lambert Bursary Fund. The fund makes awards to successful applicants. The aim of the fund is to encourage, promote and improve agriculture, horticulture, allied industry, rural crafts, livestock breeding and forestry conservation, and to encourage agriculture, horticulture and conservational education and research.

The revaluation fund represented the amount by which investments exceed their historical cost.

The remaining designated funds represent incoming resources, given specifically to provide fixed assets, as reduced over the useful economic life of that asset in line with its depreciation.

13. ANALYSIS OF NET ASSETS IN UNRESTRICTED FUNDS

	General Funds £	Designated Funds £	Total Funds £
Tangible fixed assets	**2,327,486**	**21,385**	**2,348,871**
Investments	**1,254,497**	**753,355**	**2,007,852**
Other net assets	**25,068**	**-**	**25,068**
Net assets at 31 October 2016	**3,607,051**	**774,740**	**4,381,791**

14. RELATED PARTY TRANSACTIONS

During the period the following trustees were invoiced by the charitable company for grazing and other fees:-

	2016 £	2015 £
Mr C I Briggs	247	10
Mrs J M Buckley	235	-
Mr J A Dixon	254	-
Mr D R Galbraith	347	10
Mr I K Grisedale	965	1,900
Mr D Martin	20	20
Mr J C Mason	399	10
Mr A Pratt	-	-
Mr S Procter	205	10

These fees were charged on an arms length basis.

Other transactions with trustees:-
£3,120 (2015 £3,234) was paid to Mr S Procter in respect of machinery hire and setting up costs during the period.
£507 (2015 £523) was paid to Mr B N Dowker in respect of milk supplied during the period.
£0 (2015 £280) was paid to Mr P Duckett in respect of repairs and maintenance to the property.
During the year Mrs C A Knipe was reimbursed for costs and expenses which were incurred on behalf of the Society, paid privately.

THE WESTMORLAND COUNTY AGRICULTURAL SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 OCTOBER 2016

15. COMPANY LIMITED BY GUARANTEE

The liability of the members is limited. Every member of the society undertakes to contribute to the assets of the society in the event of the same being wound up while he is a member or within one year after he 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 among themselves such amount as may be required not exceeding five pounds.

16. FINANCIAL INSTRUMENTS

	2016	2015
	£	£
Financial assets		
Financial assets measured at fair value through profit and loss	**2,251,442**	2,112,159
Financial assets measured at amortised cost	**27,933**	38,995
Financial liabilities		
Financial liabilities measured at amortised cost	**(246,455)**	(226,799)
	2,032,920	1,924,355

Financial assets measured at fair value through profit or loss comprise bank accounts and investments.

Financial assets measured at amortised cost comprise trade debtors, prepayments, other debtors, and VAT and stock.

Financial liabilities measured at amortised cost comprise trade creditors and accruals.

17. FIRST TIME ADOPTION OF FRS102

It is the first year that the Charity has presented its financial statements under SORP 2015 and FRS 102. The last financial statements prepared under previous UK GAAP were for the year ended 31 October 2015 and the date of transition to FRS 102 and SORP 2015 was therefore 1 November 2014. As a consequence of adopting FRS 102 and SORP 2015, a number of accounting policies have changed to comply with those standards.

The policies applied under the charity's previous accounting framework are not materially different to FRS 102 and have not impacted on funds or net income/expenditure.