

THE LONGHORN CATTLE SOCIETY

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED

31 AUGUST 2020

Charity No: 1159780

THE LONGHORN CATTLE SOCIETY

FINANCIAL STATEMENTS 31 AUGUST 2020

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THE LONGHORN CATTLE SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020

The trustees present their report with the financial statements of the charity for the year ended 31 August 2020. The trustees have adopted the provisions of 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).

Reference and administration information

Charity name:	The Longhorn Cattle Society
Charity registration number:	1159780
Operational address:	East Lodge Stoneleigh Park Stoneleigh Kenilworth Warwickshire CV8 2LH

Council members / Trustees

D Blockley	
P W Close	
B Facon	
S Gurton	
B M Llewellyn	resigned 12.10.19
T Mills	
P Stanley	
G Walker	appointed 12.10.19
M Wheeler	appointed 12.10.19
S Zentis	

Secretary

D Dann

Bankers

HSBC Bank plc,
126 The Parade
Leamington Spa
Warwickshire
CV32 4AJ

Accountants and Independent Examiners

Dafferns LLP, One Eastwood, Harry Weston Road, Binley Business Park, Coventry, CV3 2UB

THE LONGHORN CATTLE SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020

Activities and charitable objects

The objectives for which the Society is established are to encourage, promote and improve the breeding of Longhorn cattle and to maintain their purity. To maintain a Herdbook of Longhorn cattle in furtherance to the above objects but not further or otherwise the Society shall have the following powers:

- i) To promote shows and/or sales of Longhorn Cattle
- ii) To do all things necessary for the attainment of the above objects.

The Society depends on the support of its members for its continuing success.

Public benefit

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

Achievements and performance

Herdbook activity for the financial year was 1,286 females registered, 1,063 animals birth notified, 73 males registered and 1,214 transfers. Excluding deaths, a total of 3,568 individual transactions took place in order to maintain an accurate registry.

The Secretary and members had a presence at The English Winter Fair Primestock Event in November 2019.

The Society arranged a herd visit and a technical conference in conjunction with the Annual General Meeting in October 2019. The visit demonstrated different management systems and breeding strategies to help educate and inform other members, and the technical conference gave members scientific and breed improvement information to assist them with management of their herds.

The Society's programme of shows, member events and herd visits were cancelled in 2020 due to the COVID-19 pandemic. As physical gatherings were not permitted, the Society supported its members by organizing online events. An online show took place over the summer and an online virtual timed auction gave members the opportunity to buy and sell Longhorn Cattle in a COVID secure manner.

These events were publicized across social media platforms which promoted the breed to an unlimited domestic and international audience and enabled members to market their herds, animals for sale and Longhorn beef during a time when face to face gatherings were not permitted.

The Society continued with the Type Classification scheme, but only 53 animals could be classified as COVID-19 meant classifiers were unable to go to farms until August. This independent assessment scheme assists members with selection of cattle and herd improvement and helps fulfil the Society's obligation for breed improvement.

The Society continued to DNA test and parent verify selected females and all bulls submitted for registration in order to maintain the purity of the breed and to comply with the Zootechnical Regulations 2019

THE LONGHORN CATTLE SOCIETY

REPORT OF THE TRUSTEES FOR THE YEAR ENDED 31 AUGUST 2020

Financial review

The Society's finances show a surplus on ordinary activities of £3,741 in the year ended 31 August 2020. Unrestricted funds carried forward at 31 August 2020 total £120,375.

Reserves policy

The Council has examined the Society's requirements for reserves in the light of the main risks to the organisation. The Society aims to hold financial reserves that cover one year's budgeted expenditure. The Society has budgeted to spend £85,415 in the year to 31 August 2021. At 31 August 2020 the Society held reserves amounting to £120,375.

Structure, governance and management

Governing document

The Society is governed by its constitution. The Society was registered as a charity on 5 January 2015 (No: 1159780).

Recruitment and appointment of Council

The Longhorn Cattle Society is run by the Society Council. All Council members are also trustees of the Society. Nominations are invited for election to Council and both an online and a paper ballot are distributed prior to the AGM to determine their election should sufficient nominations be received. Council members are elected by the membership for a three year term and then retire by rotation. After their second consecutive three year term Council members cannot stand for re-election for one year. The Council elect their own Chairman at the first meeting after the AGM.

Council meetings follow a formal agenda and minutes are taken. There is an Annual General Meeting to which all members are invited. This meeting includes an adoption of the accounts and the presentation of the Chairman's report for the year.

The Council of the Society appoint a secretary/treasurer to carry out the daily administration of the Society and maintain the account records.

Risk review

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

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

Approved by order of the board of trustees on 17 October 2020 and signed on its behalf by:

T Mills
Chairman of Trustees

THE LONGHORN CATTLE SOCIETY

FINANCIAL REPORT FOR THE YEAR ENDED 31 AUGUST 2020

2020 was an unprecedented year for The Longhorn Cattle Society, with all normal activities outside of maintaining the Herdbook cancelled due to the COVID-19 pandemic. Activity on the Herdbook was stable.

Herdbook activity for the financial year was 1,286 females registered (1,278 in 2019), 1,063 (995) animals birth notified, 73 (50) males registered and 1,214 (1,624) transfers. Excluding deaths, a total of 3,568 (3,947) individual transactions took place in order to maintain an accurate registry.

As a membership based organisation the Society's main income streams remained subscriptions, registrations and transfers.

Secretarial salary, social security and occupational pension expenditure were the Society's largest single outgoing.

Printing, stationery and postage expenditure was increased in this financial year as the Journal was produced.

Shows and demonstration expenditure was decreased in this financial year as the Society did not attend any events in 2020

The Longhorn Cattle Society is a Charity and the Trustees of the Society are entrusted with the role of ensuring the monies held are well managed and that there is a prudent reserve, and then ensure that funds are used to carry out the principal objectives of the Society. It is Council policy to ensure that the routine running costs of the Society are self-funding and that the Society has reserves roughly equivalent to a year's annual expenditure. A budget of £85,415 has been approved by Council.

Deborah Dann
Society Treasurer and Breed Secretary

17 October 2020

**INDEPENDENT EXAMINER'S REPORT
TO THE TRUSTEES OF THE LONGHORN CATTLE SOCIETY**

I report to the charity trustees on my examination of the accounts of the charity for the year ended 31 August 2020, which are set out on pages 6 to 11.

Responsibilities and basis of report

As the charity's trustees you are responsible for the preparation of the accounts in accordance with the requirements of the Charities Act 2011 ('the Act').

I report in respect of my examination of the charity's accounts carried out under section 145 of the Act and in carrying out my examination I have followed all the applicable Directions given by the Charity Commission under section 145(5)(b) of the Act.

Independent examiner's statement

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

1. accounting records were not kept in respect of the charity as required by section 130 of the Act; or
2. the accounts do not accord with those records; or
3. the accounts do not comply with the applicable requirements concerning the form and content of accounts set out in the Charities (Accounts and Reports) Regulations 2008 other than any requirement that the accounts give a 'true and fair view' which is not a matter considered as part of an independent examination.

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

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

20 October 2020

THE LONGHORN CATTLE SOCIETY

**STATEMENT OF FINANCIAL ACTIVITIES
FOR THE YEAR ENDED 31 AUGUST 2020**

	2020	2019
	Unrestricted funds	
	£	£
Income from:		
Members subscriptions	22,722	20,756
Gift aid	2,008	2,094
Donations	313	70
Registration fees	40,307	45,265
Transfer fees	9,519	8,853
AI Receipts	1,180	742
Society meeting income	3,054	6,355
Handbook and newsletter adverts	5,608	1,240
Shows and demonstrations	-	1,860
Breed development	1,975	1,574
Sale of merchandise	281	308
Interest received	319	453
Other income	<u>1,145</u>	<u>33</u>
Total income	<u>88,431</u>	<u>89,603</u>
Expenditure on:		
Shows and demonstrations	10,321	15,398
Cost of meetings	5,005	8,582
Printing and stationery	10,818	6,536
Cost of merchandise	359	505
AI costs	2,368	1,893
Subscriptions payable	274	326
Secretary's salary and social security costs	39,305	39,016
Secretary's expenses	338	67
Office expenses	12,685	9,420
Website and other computer expenses	967	1,664
Independent examination	1,600	1,550
Legal fees	413	168
Depreciation	159	160
Other costs (including bank charges)	<u>78</u>	<u>78</u>
Total expenditure	<u>84,690</u>	<u>85,363</u>
Net income	3,741	4,240
Fund balance at 1 September 2019	<u>116,634</u>	<u>112,394</u>
Fund balance at 31 August 2020	<u>120,375</u>	<u>116,634</u>

The notes on pages 8 to 11 form part of these financial statements

THE LONGHORN CATTLE SOCIETY
BALANCE SHEET AS AT 31 AUGUST 2020

	Notes	2020		2019	
		£	£	£	£
Fixed assets					
Tangible assets	5		354		513
Investments	6		<u>1,651</u>		<u>1,651</u>
			2,005		2,164
Current assets					
Stock		2,280		2,537	
Debtors	7	8,518		9,275	
Bank balances and cash	8	<u>123,364</u>		<u>118,427</u>	
		134,162		130,239	
Creditors: amounts falling due within one year	9	<u>15,792</u>		<u>15,769</u>	
Net current assets			<u>118,370</u>		<u>114,470</u>
Net assets			<u>120,375</u>		<u>116,634</u>
Reserves					
General fund - Unrestricted	10		<u>120,375</u>		<u>116,634</u>

The financial statements were approved by the Board of Trustees on 17 October 2020 and were signed on its behalf by:

T Mills
Chairman of Trustees

The notes on pages 8 to 11 form part of these financial statements.

THE LONGHORN CATTLE SOCIETY**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020****1. Accounting policies****Basis of preparing the financial statements**

The Longhorn Cattle Society is a charitable incorporated organisation (CIO) in England and Wales. The operational address is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities are stated on page 2.

The financial statements of the charity, which is a public benefit entity under FRS 102, 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 2015)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Charities Act 2011. The financial statements have been prepared under the historical cost convention.

The financial statements have been prepared to give a 'true and fair' view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a 'true and fair view'. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

Income

All income is recognised in the Statement of Financial Activities when the charity has entitlement to the funds, it is probable that the income will be received and the amount can be measured reliably.

Expenditure

Liabilities are recognised as expenditure as soon as there is a legal or constructive obligation committing the charity to that expenditure, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all cost related to the category. Where costs cannot be directly attributed to particular headings, they have been allocated to activities on a basis consistent with the use of resources.

Investment

The investment in the subsidiary is stated at cost.

Stocks

Stocks are valued at the lower of cost and net realisable value. Cost is defined for this purpose as the expenditure incurred in the normal course of business. Stock of AI is not included as this is written off when extracted.

Depreciation

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

Computer equipment - 25% on cost
Fixtures and fittings - 15% on reducing balance

THE LONGHORN CATTLE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020 (continued)

1. Accounting policies (continued)

Debtors and creditors receivable / payable within one year

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

Taxation

The charity is exempt from tax on its charitable activities.

Fund accounting

All the charity's funds are unrestricted.

2. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31 August 2020 nor for the year ended 31 August 2019.

Trustees' expenses

Expenses reimbursed to trustees' during the year amounted to £522 (2019: £Nil).

3. Independent examiners remuneration

The independent examiners remuneration amounts to an independent examination fee of £1,600.

4. Staff costs

	2020	2019
The average monthly number of employees during the year was as follows:		
Administration	<u>1</u>	<u>1</u>
	£	£
Staff costs were:		
Salaries	37,265	37,265
Social security costs	922	981
Pension costs	<u>1,118</u>	<u>770</u>
	<u>39,305</u>	<u>39,016</u>

No employees received emoluments in excess of £60,000.

THE LONGHORN CATTLE SOCIETY

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020 (continued)**

5. Tangible fixed assets

	Computer Equipment £	Fixtures & Fittings £	Total £
Cost			
At 1 September 2019 and at 31 August 2020	<u>596</u>	<u>547</u>	<u>1,143</u>
Depreciation			
At 1 September 2019	149	481	630
Charge for the year	<u>149</u>	<u>10</u>	<u>159</u>
At 31 August 2020	<u>298</u>	<u>491</u>	<u>789</u>
Net book value			
At 31 August 2020	<u>298</u>	<u>56</u>	<u>354</u>
At 31 August 2019	<u>447</u>	<u>66</u>	<u>513</u>

6. Investments

Shares in subsidiary, at cost

	2020 £	2019 £
Cost		
At 1 September 2019 and at 31 August 2020	<u>1,651</u>	<u>1,651</u>

The charity owns 100% of the ordinary shares of £1 each in the Longhorn Meat Marketing Company Limited. This subsidiary was used for non-primary purpose trading activities, namely the marketing of longhorn beef and retail of hides. The company is currently dormant.

The latest available accounts are for the year ended 31 August 2020. A summary of the results of the subsidiary for the year ended 31 August 2020 is shown below:

	£
Assets	1,051
Liabilities	<u>-</u>
	<u>1,051</u>
Share capital (A & B shares)	1,651
Profit and loss account	<u>(600)</u>
	<u>1,051</u>

Consolidated accounts are not prepared, as the trustees consider that the results are not material.

7. Debtors

	2020 £	2019 £
Trade debtors	6,370	6,487
Prepayments	<u>2,148</u>	<u>2,788</u>
	<u>8,518</u>	<u>9,275</u>

THE LONGHORN CATTLE SOCIETY
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2020 (continued)

8. Bank balances and cash

	2020	2019
	£	£
The following balances are included:		
COIF Charities Deposit Fund	68,441	68,441
HSBC - Deposit account	6,220	6,210
- Current account	<u>48,703</u>	<u>43,776</u>
	<u>123,364</u>	<u>118,427</u>

9. Creditors: amounts falling due within one year

Trade creditors	3,512	2,944
PAYE and social security	-	30
Value added tax	2,070	2,255
Amount owed to subsidiary	1,051	1,051
Deferred income	7,439	7,819
Accruals	<u>1,720</u>	<u>1,670</u>
	<u>15,792</u>	<u>15,769</u>

10. Funds

All funds are unrestricted.

11. Related party transactions

The Society owns the shares in the Longhorn Meat Marketing Company Limited which is a commercial company established to promote the marketing and sale of Longhorn beef and hides.

Details regarding the accounts of the Longhorn Meat Marketing Company Limited are stated in note 6.