

**THE NEW FOREST
AGRICULTURAL SHOW SOCIETY
(A company limited by guarantee)**

**ANNUAL REPORT AND
FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED
30TH SEPTEMBER 2002**



THE NEW FOREST AGRICULTURAL SHOW SOCIETY

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THE NEW FOREST AGRICULTURAL SHOW SOCIETY

LEGAL AND ADMINISTRATIVE INFORMATION

The organisation is a charitable company limited by guarantee, incorporated on 17th September 1991 and registered as a charity on 9th January 1992.

The company was established under a Memorandum of Association, which established the objects and powers of the charitable company and is governed under its Articles of Association. Under those Articles, the members of the Policy and Management Committee are elected at the AGM and serve a period of three years, subject to ratification at each AGM.

Policy and Management Committee:-

- Mr Geoff Morgan, Chairman
- Mr James Sexton, Vice Chairman
- Mr Michael Perkins, Treasurer
- Mr Robert Keen
- Mr Tim Dalton

Executive Secretary:-

- Mr Richard Cuzens (appointed 1 December 2001)

Registered office and operational address:-

- The Showground, New Park, Brockenhurst, Hampshire, S042 7QH

Accountants:-

- Numerica Business Services Limited, Charter Court, Third Avenue, Millbrook, Southampton, S015 0AP

Auditors:-

- HLB AV Audit plc, Charter Court, Third Avenue, Millbrook, Southampton, SO15 0AP

Stockbrokers:-

- Charles Stanley and Company Limited, 13/14 Oxford Street, Southampton, Hampshire, S014 3DJ

Bankers:-

- Lloyds TSB, 39 High Street, Lymington, Hampshire, S041 9ZF

Solicitors:-

- Heppenstalls, 75 High Street, Lymington, Hampshire, S041 9YY

THE NEW FOREST AGRICULTURAL SHOW SOCIETY

REPORT OF THE POLICY AND MANAGEMENT COMMITTEE

FOR THE YEAR ENDED 30TH SEPTEMBER 2002

The Policy and Management Committee presents its report and the audited financial statements for the year ended 30th September 2002.

Principal activities

The charity is a company and its main objectives are the holding of an annual show to promote and encourage the development of agriculture, forestry, equestrianism and horticulture and encourage the improvement in the breeding of stock.

Review of activities

The net incoming resources for the year amounted to £103,874, and after the losses on investments, the net positive movement of funds was £82,063. This increases the general reserves at the year end to £210,257.

Reserves policy

The Policy and Management Committee has established a policy whereby the unrestricted funds not committed or invested in tangible fixed assets (free reserves) held by the charity should be half the average annual turnover. This should currently equate to about £500,000. At this level, the Policy and Management Committee feel that it would be able to continue the current activities of the charity in the event of two consecutive years of exceptionally poor results due to unforeseen reasons for cancellation, or extremely bad weather. At present the free reserves of £138,399 do not reach this target and the Policy and Management Committee is striving to ensure that the net incoming resources are maintained at the same level as achieved in the current year.

Investment policy

The Policy and Management Committee has considered the most appropriate policy for investing funds and considers that specialised unit trusts designed for the charity sector and blue chip equities or cash meets its requirements to generate both income and capital growth. The society's stockbroker has been made aware of the aims of the charity and no investments held will contradict those aims.

Risk review

The Policy and Management Committee has taken steps to identify the major strategic and operational risks which the charitable company faces and systems have been established to mitigate those risks. Procedures are periodically reviewed to ensure that they still meet the needs of the charitable company.

Members of the Policy and Management Committee

Members of the Policy and Management Committee, who, with the exception of the Treasurer, are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1. Other directors are listed below.

Members of the charitable company guarantee to contribute an amount not exceeding £1 to the assets of the charitable company in the event of winding up. The total number of such guarantees at 30 September 2002 was 2,534.

Responsibilities of the Policy and Management Committee

Company law requires the committee to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company at the balance sheet date and of its incoming resources and application of resources for the financial year. In preparing those financial statements, the committee should follow best practice and:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

The committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable it to ensure that the financial statements comply with the Companies Act 1985. It is also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THE NEW FOREST AGRICULTURAL SHOW SOCIETY

REPORT OF THE POLICY AND MANAGEMENT COMMITTEE

FOR THE YEAR ENDED 30TH SEPTEMBER 2002

Directors

The directors who served the charitable company during the year were as follows:

J Adams	(appointed 6th February 2002)	G W Morgan
A G Bernard		Mrs J A Morgan
T M Dalton		R J Morgan
Mrs J Dinnage		S J Morgan
B D Dobson-Spink		C P Orchard
J L Gorton		J H M Powell
R Gouldie		B Rickman
C Gwyn-Evans		M J Rook
A C Hayter		J M H Sexton
T J M Horsfall		Mrs S H Sexton
A D Humbert		G A Skivington
R V Keen		K W Smith
A J Korbey		D M Tullie
R Lakey		D W Waight
J W Lowth		C A Whitlock
R L Lucas-Rowe		J A Woolcott
Miss G E Meaden		Ms G A Wright
Mrs A R Millar		Mrs P Wyeth
S J Mitchell		

In addition Mrs K E M Slocombe was a director until her resignation on 6th February 2002.

The liability of the members is limited to such contribution as may be required (not exceeding £1) to the company assets if it should be wound up while he/she is a member or within one year after he/she ceases to be a member, for payment of the company's debts and liabilities contracted before he/she 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 amongst themselves.

If on winding up or dissolution of the Society there remains, after the satisfaction of all its debts and liabilities, any property whatever, the same shall not be paid or distributed among the members of the company but shall be given or transferred to some other charitable institution or institutions, having objects similar to the objects of the Society.

Contributions

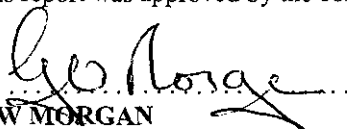
During the year the company made direct charitable contributions amounting to £2,025 (2001: £2,220). The company has also made indirect donations via free of charge trade stand spaces and associated infrastructure of £11,998 (2001: £11,058).

Auditors

HLB AV Audit plc acquired the audit practice of Burnett Swayne and in accordance with section 26 of the Companies Act 1989 has been appointed auditors in succession. In accordance with section 385 of the Companies Act 1985, a resolution proposing that they be reappointed will be put to the Annual General Meeting.

This report has been prepared in accordance with the Statement of Recommended Practice – Accountancy and Reporting by Charities and in accordance with special provisions of Part VII of the Companies Act 1985 relating to small companies.

This report was approved by the committee on 4th December 2002 and signed on its behalf.


G W MORGAN
CHAIRMAN

REPORT OF THE AUDITORS TO THE MEMBERS OF THE NEW FOREST AGRICULTURAL SHOW SOCIETY

We have audited the financial statements of The New Forest Agricultural Show Society for the year ended 30 September 2002 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out therein.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITORS

As described in the Statement of Responsibilities, the trustees (who are also the directors of The New Forest Agricultural Show Society for the purposes of company law) are responsible for preparation of the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Annual Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we became aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

BASIS OF OPINION

We conducted our audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

OPINION

In our opinion the financial statements give a true and fair view of the charitable company's state of affairs at 30 September 2002 and of its incoming resources and application of resources in the year then ended and have been properly prepared in accordance with the provisions of the Companies Act 1985.

HLB AV Audit plc

HLB AV Audit plc
Registered Auditors
Charter Court
Third Avenue
SOUTHAMPTON
SO15 0AP

5th December 2002.

THE NEW FOREST AGRICULTURAL SHOW SOCIETY

STATEMENT OF FINANCIAL ACTIVITIES

FOR THE YEAR ENDED 30TH SEPTEMBER 2002

	Note	Unrestricted funds	
		2002	2001
		£	£
Incoming resources			
Show income		867,719	687,580
Membership subscriptions		114,963	116,404
Investment income	4	10,247	14,971
Showground hire		11,025	11,355
Other income		19,046	4,477
Total incoming resources		1,023,000	834,787
Resources expended			
Direct charitable expenditure		915,336	864,648
Management and administration		3,790	4,765
Total resources expended	6	919,126	869,413
Net incoming/(outgoing) resources		103,874	(34,626)
Realised losses/gains on disposal of investments		(3,850)	(577)
Net income/(expenditure) for the year		100,024	(35,203)
Unrealised losses on investments	8	(17,961)	(41,801)
Net movement in funds		82,063	(77,004)
Funds brought forward		128,194	205,198
Funds carried forward		210,257	128,194

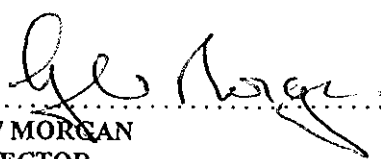
THE NEW FOREST AGRICULTURAL SHOW SOCIETY

BALANCE SHEET AS AT 30TH SEPTEMBER 2002

	Note	2002 £	2001 £
Fixed assets			
Tangible assets	7	26,024	39,965
Investments	8	<u>45,834</u>	<u>98,740</u>
		<u>71,858</u>	<u>138,705</u>
Current assets			
Debtors	9	71,468	37,272
Cash at bank and in hand		<u>169,526</u>	<u>253</u>
		240,994	37,525
Creditors: amounts falling due within one year	10	<u>93,918</u>	<u>38,399</u>
Net current assets/(liabilities)		<u>147,076</u>	(<u>874</u>)
Total assets less current liabilities		218,934	137,831
Accruals and deferred income	11	<u>8,677</u>	<u>9,637</u>
		<u>210,257</u>	<u>128,194</u>
Income funds			
Unrestricted funds		<u>210,257</u>	<u>128,194</u>

These financial statements have been prepared in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small companies.

These financial statements were approved by the board on 4th December 2002 and signed on its behalf.



G W MORGAN
DIRECTOR

THE NEW FOREST AGRICULTURAL SHOW SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2002

1 Accounting policies

Basis of accounting

The financial statements have been prepared under the historical cost convention as modified to include the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), the Companies Act 1985 and follow the recommendations in "Accounting and Reporting by Charities: Statement of Recommended Practice" issued in October 2000.

Incoming resources

Incoming resources represents the invoice value of goods and services, less returns and is included when receivable. Annual subscriptions are included together with the transfer relating to Life Members under the policy stated below. Voluntary income received by way of donations and gifts is included when receivable.

Grants are recognised in the year in which they are receivable. Investment income is included when receivable.

Resources expended

Resources expended are recognised in the period they are incurred and include attributable VAT which is not recoverable.

Depreciation

Depreciation is provided on all fixed assets at rates calculated to write off their cost in equal instalments over their expected useful lives with the exception of cups and trophies included within show equipment.

The expected useful lives are:

Showground office	15 years
Office equipment	3-4 years
Show equipment	2-5 years
Motor vehicles	4 years

Cups and trophies are included at their acquisition value from the Society, which represents a 1977 valuation, and are not depreciated.

Investments

Fixed asset investments are valued at their market value ruling at the balance sheet date and the gain or loss is taken to the Statement of Financial Activities.

Subscriptions

Annual subscriptions from members are included in income of the year to which they relate. Life membership subscriptions are credited to deferred income and 10 per cent of the deferred income pool is released to income each year.

Leasing

Rentals paid under operating leases are charged to income as incurred.

Contribution to pension fund

The pension costs charged against profits represent the amount of the contributions payable to the scheme in respect of the accounting period.

THE NEW FOREST AGRICULTURAL SHOW SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2002

2	Net incoming/(outgoing) resources	2002	2001
		£	£
	This is stated after charging:		
	Auditors' remuneration	3,525	3,510
	Depreciation and other amounts written off tangible fixed assets	14,290	14,261
	Operating lease rentals - Land and Buildings	27,500	27,500
	Cost of company pensions	<u>3,748</u>	<u>6,328</u>
3	Directors' remuneration and employee information	2002	2001
		£	£
	Staff costs were as follows:-		
	Salaries and wages	109,612	105,104
	Social Security costs	8,246	8,408
	Pension costs	<u>3,748</u>	<u>6,328</u>
		<u>121,606</u>	<u>119,840</u>
Council members are not remunerated for their services, except as disclosed in note 14.			
The average weekly number of employees, all of whom were employed in the management and administration of the Charity, was 5 (2001: 6). No employee earned over £50,000 per annum.			
4	Investment income	2002	2001
		£	£
	Interest receivable on:		
	Short term deposits	3,542	3,658
	Treasury stock	2,283	1,740
	Dividend income	<u>4,422</u>	<u>9,573</u>
		<u>10,247</u>	<u>14,971</u>

5 Taxation

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

THE NEW FOREST AGRICULTURAL SHOW SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2002

6 Total resources expended

	Staff costs £	Depreciation etc £	Other costs £	Total 2002 £	2001 £
Show expenditure	121,606	14,290	779,440	915,336	864,648
Management and administration	-	-	3,790	3,790	4,765
	<u>121,606</u>	<u>14,290</u>	<u>783,230</u>	<u>919,126</u>	<u>869,413</u>

7 Tangible fixed assets

	Showground office £	Office equipment £	Show equipment £	Motor vehicles £	Total £
Cost					
At 1st October 2001	42,289	40,441	60,845	6,908	150,483
Additions	-	-	350	-	350
Disposals	-	(21,766)	(30,145)	-	(51,911)
At 30th September 2002	<u>42,289</u>	<u>18,675</u>	<u>31,050</u>	<u>6,908</u>	<u>98,922</u>
Depreciation					
At 1st October 2001	28,343	33,871	41,396	6,908	110,518
Charge for year	2,964	6,129	5,205	-	14,298
Disposals	-	(21,767)	(30,151)	-	(51,918)
At 30th September 2002	<u>31,307</u>	<u>18,233</u>	<u>16,450</u>	<u>6,908</u>	<u>72,898</u>
Net book value					
At 30th September 2002	<u>10,982</u>	<u>442</u>	<u>14,600</u>	<u>-</u>	<u>26,024</u>
Net book value					
At 30th September 2001	<u>13,946</u>	<u>6,570</u>	<u>19,449</u>	<u>-</u>	<u>39,965</u>

Included in Show equipment are cups and trophies at their valuation in 1977 of £5,822 which are not depreciated. The directors are of the opinion that their realisable value is in excess of the valuation.

All fixed assets are held for direct charitable purposes.

8 Investments

	2002 £	2001 £
Market value at 1st October 2001	98,740	170,958
Additions	-	127,020
Disposals	(34,945)	(157,437)
Net losses on revaluation at 30th September 2002	(17,961)	(41,801)
Market value at 30th September 2002	<u>45,834</u>	<u>98,740</u>
Historical cost at 30th September 2002	<u>88,037</u>	<u>136,052</u>

THE NEW FOREST AGRICULTURAL SHOW SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2002

8	Investments (continued)	2002	2001
	Investments at market value comprised:	£	£
	Fixed interest securities	24,420	43,731
	Equity shares	21,348	42,749
	Investment and unit trusts	66	12,460
		<u>45,834</u>	<u>98,940</u>
	The following investments represent 5% or more of the portfolio total:	2002	2001
		£	£
	20,000 Treasury 8% 2009	24,402	24,186
	6,150 Morgan Crucible Co 7.5p	5,766	6,580
	930 GKN Ordinary 50p	2,267	2,325
	365 Glaxosmithkline Ordinary 25p	4,490	6,909
	695 Abbey National Ordinary 10p	3,579	7,131
	730 Aviva Ordinary 25p (CGNU)	2,610	6,245
	19,510 Treasury 7% 2001	-	19,545
	1,020 Powergen Ordinary 50p	-	7,507
	17,600 Second Scottish National Trust Ordinary 10p	-	5,544
		<u></u>	<u></u>
9	Debtors	2002	2001
		£	£
	Trade debtors	61,076	33,697
	Other debtors	360	2,075
	Prepayments and accrued income	10,032	1,500
		<u>71,468</u>	<u>37,272</u>
10	Creditors: amounts falling due within one year:	2002	2001
		£	£
	Bank overdrafts	-	29
	Trade creditors	73,513	21,464
	Other taxes and social security costs	-	2,781
	Accruals and deferred income	20,405	14,125
		<u>93,918</u>	<u>38,399</u>
11	Accruals and deferred income	2002	2001
		£	£
	Life members subscriptions		
	At 1st October 2001	9,637	10,208
	New subscriptions	-	500
		<u>9,637</u>	<u>10,708</u>
	Transfer to income	(960)	(1,071)
	At 30th September 2002	<u>8,677</u>	<u>9,637</u>

THE NEW FOREST AGRICULTURAL SHOW SOCIETY

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30TH SEPTEMBER 2002

12 Operating leases

Annual commitments under non-cancellable operating leases are as follows:-

	Land and Buildings		2002	Other 2001
	2002	2001		
	£	£	£	£
Operating leases which expire:				
Within one year	27,500	27,500	-	1,276
in two to five years	-	-	-	2,812
	<u>27,500</u>	<u>27,500</u>	<u>-</u>	<u>4,088</u>

13 Directors transactions

All Council members are members of the Society and pay the appropriate subscription fees. Some members exhibit at the show on the same terms as those available to members generally.

14 Related party transactions

The directors consider that they all have equal control over the financial and operating activities of the company.

The following directors of the society are also connected to businesses which supply material amounts of services to the society in connection with the layout, presentation and marketing of the show.

Board member	Company	Work	£
AJ Korbey	A & D C Korbey	Fuel, plant hire and rent	30,686
B Rickman	Barry Rickman Photography	Photographic services	375

15 Pensions -defined contribution scheme

The Society operates a defined contribution pension scheme for the benefit of the employees. The assets of the scheme are administered by trustees in a fund independent from those of the company. An amount of £312 (2001: £5,370) relating to pensions is accrued at the year end.

16 Indemnity insurance

The charitable company has purchased insurance for the Trustees and Officers of the charitable company against liability arising for wrongful acts in relation to the charitable company. The cost of this insurance amounts to £1,050.