

5-Year Strategic Plan

STRATEGY 1. Culture & Values

To establish a strong and positive culture that promotes member’s welfare and mental wellbeing as a core mission of the Society. To create a society loved by its members!

The improvement of the culture is the number one priority for the Society. Currently, a culture of negativity, bickering and organisational politics is dragging the Society down and is in urgent need of turnaround. On this basis, the leadership will set an example by establishing and committing to the following set of values.

The values of the Society will be lived out and communicated at all times to members. Key actions will include the following:

- Behaviour at council meetings including the signing of a code of conduct.
- Behaviour at regional meetings.
- Council members and staff setting an example at all events and meetings.
- Calling out bad behaviour when it is seen and reinforcing the values of the Society.
- Communications strategy to include a distinctive presentation of the AGREE values on email footers, show banners, meeting slides, membership packs, newsletters and website.
- A campaign to launch the initiative based around the message of ‘a new voice emerging’.

Accessible

A

Treat everyone equally. Encourage everyone to join in from all strands of the Society. Have an open and transparent council and staff team.

Goals

G

To be the best Hereford Cattle Society possible within the resources available.

Respect

R

Respect at all times. Respecting the Society, breed values, membership personal motivations and values & traditions of the organisation.

Enjoyable

E

To make membership fun. To make enjoyment the main reason people want to join the Society.

Educational

E

To be a Society where members can grow in their knowledge and love of the breed. To create learning resources that members can use to establish successful pedigree herds and beef rearing enterprises.

5-Year Strategic Plan

Hereford Cattle Society
February 2024



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5-Year Vision

A society loved by its members! A growing belief and confidence in the future role of the Hereford breed, reflected in a growing sense of belonging and commitment by its growing membership base.

To work on more Hereford cross calves being registered each year thus increasing the Hereford commercial market share.

To underpin this growth through closer working relationships with leading meat processors and retailers.

To position the breed at the heart of forage based sustainably reared beef. To evidence this positioning with estimated breeding value (EBV), linear scoring and genomic data.

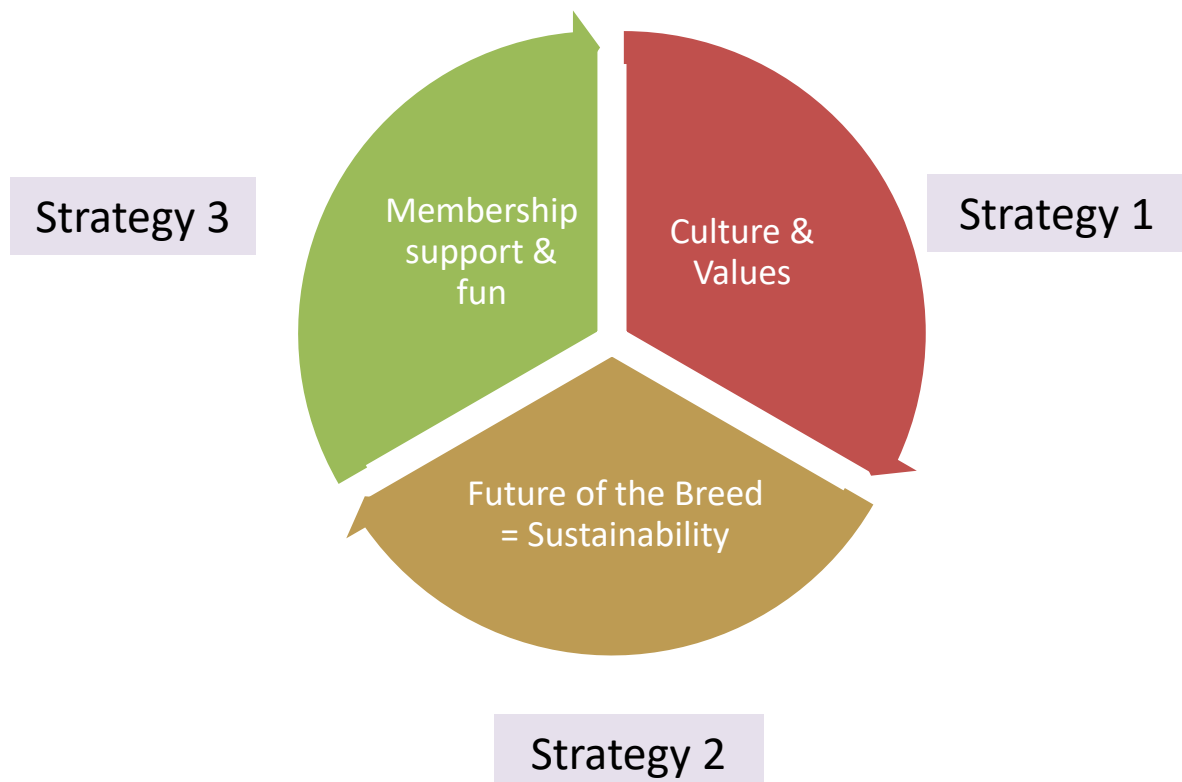
The society intends to establish a culture and set of values that staff, council and members all embrace and to create a membership organisation that both pedigree breeders, commercial farmers and individual members all feel proud to belong to.

5-Year Goals

1.	To promote member’s welfare and mental wellbeing as a core mission of the Society.
2.	To promote and develop the commercial strengths of the breed to encourage, producers, processors and retailers to see the Hereford as the breed of choice.
3.	To encourage as many breeders as possible to record their data with a target of an up lift in this area of 5% in the next 5 years.
4.	<ul style="list-style-type: none"> • Look to increase our current society membership numbers from 1400 to 1500 • Achieve a membership base of commercial producers of 500

Summary Strategic Plan

To deliver the goals around three core strategies, as follows:



Strategy 1. Culture & Values

To establish a strong and positive culture that promotes member’s welfare and mental wellbeing as a core mission of the Society. To create a society loved by its members!

The improvement of the culture is the number one priority for the Society. Currently, a culture of negativity, bickering and organisational politics is dragging the Society down and is in urgent need of turnaround. On this basis, the leadership will set an example by establishing and committing to the following set of values.

A	<p>Accessible</p> <p><i>Treat everyone equally. Encourage everyone to join in from all strands of the Society. Have an open and transparent council and staff team.</i></p>
G	<p>Goals</p> <p><i>To be the best Hereford Cattle Society possible within the resources available.</i></p>
R	<p>Respect</p> <p><i>Respect at all times. Respecting the Society, breed values, membership personal motivations and values & traditions of the organisation.</i></p>
E	<p>Enjoyable</p> <p><i>To make membership fun. To make enjoyment the main reason people want to join the Society.</i></p>
E	<p>Educational</p> <p><i>To be a Society where members can grow in their knowledge and love of the breed. To create learning resources that members can use to establish successful pedigree herds and beef rearing enterprises.</i></p>

The values of the Society will be lived out and communicated at all times to members. Key actions will include the following:

- Behaviour at council meetings including the signing of a code of conduct.
- Behaviour at regional meetings.
- Council members and staff setting an example at all events and meetings.
- Calling out bad behaviour when it is seen and reinforcing the values of the Society.
- Communications strategy to include a distinctive presentation of the AGREE values on email footers, show banners, meeting slides, membership packs, newsletters and website.
- A campaign to launch the initiative based around the message of ‘a new voice emerging’.

Strategy 2. Future of the breed = sustainability

To position the breed at the heart of grass fed sustainably reared beef. To launch a commercial beef scheme and evidence the breeds positioning by embracing genetic data.

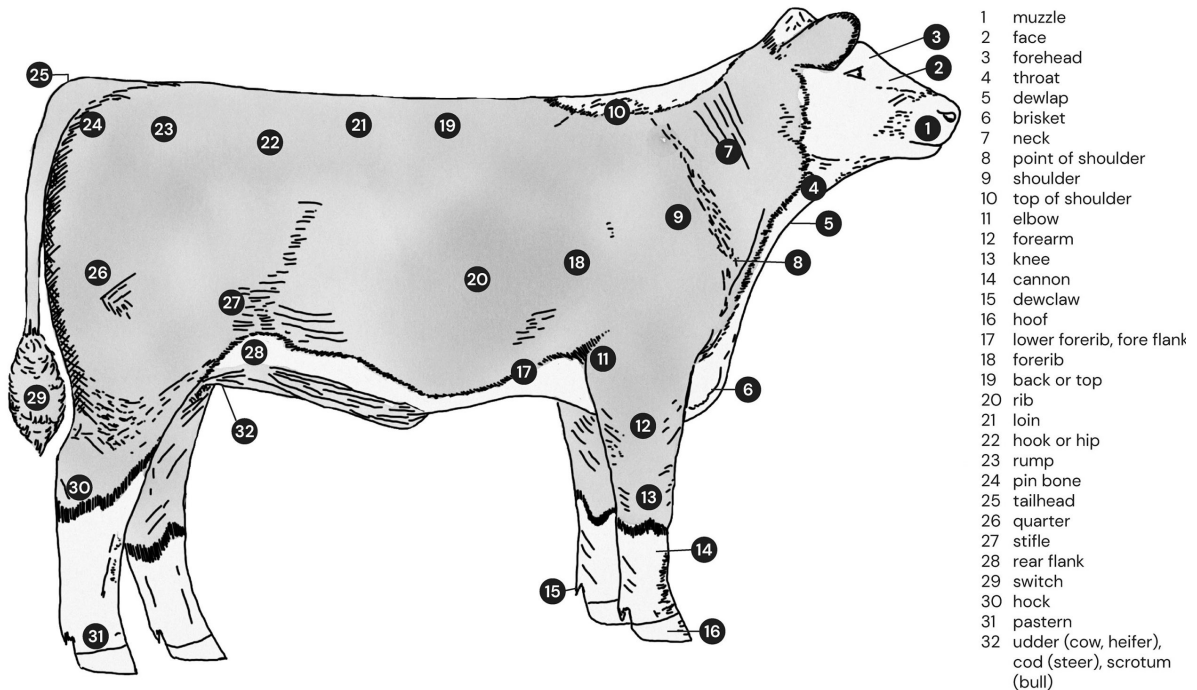
Sustainability will be built around three major areas:



To deliver this strategy the following goals and actions will be taken:

- To work closely with retailers, processors and producers to promote the breed.
- To encourage as many breeders as possible to record their data with a target of an up lift in this area of 5% in the next 5 years.
- To position the breed at the heart of forage based sustainably reared beef. To evidence this positioning with estimated breeding value (EBV), linear scoring and genomic data

To support the goal of sustainable Hereford beef, the Society set out the following goals:



- Birth weight. 40kg to 45kg
- Mature cow size. 650kg to 700kg
- Daily Liveweight Gain (DLWG). 1.2kg
- Commitment from the membership to increase data recording – Up lift of 5%
- Promotion and education of Breed Plan including Estimated Breeding Values (EBV), Linear Scoring and Genomic data.
- Promote traits for pelvic measurement for ease of calving.
- Promote docility and ease of handling index.

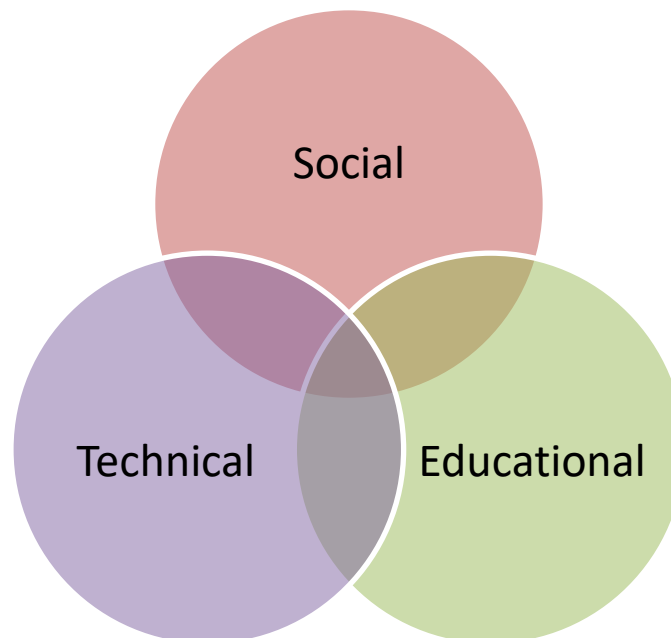
Strategy 3. Membership support and fun

To promote member’s welfare and mental wellbeing as a core mission of the Society. To establish a strong and positive culture, launching an affiliate commercial farmer membership and all together growing the Society to 2,000 members.

The Society is built on the love of the breed. This means that activities that focus around sharing this passion are well liked by members. These include herd visits, workshops, shows, pictures, cattle data, youth events and social activities.

Linked to the current culture, outlined in Strategy 1, members seriously dislike politics, arguments about the future of the breed, infighting, regional or interest group rivalry, cliques and poor communications.

The Society will build a membership engagement plan around the following core pillars:



Social	Technical	Educational
<i>Why?</i>	<i>What?</i>	<i>How?</i>
<i>Focus on enjoyment & wellbeing</i>	<i>Focus on the animal</i>	<i>Focus on sustainability</i>
Social events Herd visits Social element linked to every gathering	Breeding data Performance Animal welfare Sales Shows	Profitability Grassland Soil Regenerative farming Carbon & methane



Hereford Youth

Harness Hereford Youth to inspire and change the Society.

Build a programme of Social, Technical and Educational activities for Hereford Youth alongside the mainstream programme.

Key metrics

	YE June 2023	YE June 2029
Membership:		
• Breeder	911	1000
• Youth	95	150
• Commercial	0	500
• Non-breeder	446	500
Commercial registrations per year	192,000	292,000
Pedigree calf registrations per year	8384	?
Beef Scheme funds	£0	?
Total funds	£746,633	£850,000
Net surplus		

Notes:

One-year action plan

Strategy	Actions	Time	Person
<p>Strategy 1 Culture & Values</p>	<p>Produce marketing material to support the messaging.</p> <p>Communication to the membership</p> <p>To ensure it becomes part of our culture</p> <p>Code of conduct for members and staff</p>		
<p>Strategy 2 Future of the breed = sustainability</p>	<p>Breed standard</p> <p>Update our breeding programme with Defra</p>		
<p>Strategy 3 Membership support & fun</p>	<p>Engage better with our membership</p> <p>Look to do workshops</p> <p>Update of our website with more member information and support – Wellbeing page!</p> <p>Ensure we are emphasizing the benefits for members</p>		

Appendices

Appendix i The Boat Exercise

Appendix ii Star Fish

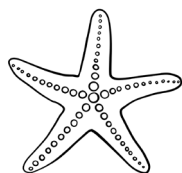
Appendix 1 The Boat Exercise



Holding us back	Taking us forward
Membership differences (6) <ul style="list-style-type: none"> • Arguments • Traditions • Cooperation between members • Politics 	Genetics (7) <ul style="list-style-type: none"> • EBV data • Genomics • Linear classification • White face recognisable • Quality of cattle
Breed perceptions (6) <ul style="list-style-type: none"> • Sales values • Lack of data 	Sustainability (6) <ul style="list-style-type: none"> • Grass fed specialists • Environmental potential • Market moving in our direction
Lack of Beef Schemes (5) <ul style="list-style-type: none"> • Native competition • Weakening partnership with commercial producers 	Timing is good (4) <ul style="list-style-type: none"> • Energy and ideas • Pricing • Sustainability agenda
Lack of data and genetic information (4) <ul style="list-style-type: none"> • Abnormalities • Phenotype used instead of genotype 	Staff (4) <ul style="list-style-type: none"> • Enthusiastic • Effective
Money & resources (4)	Members (3) <ul style="list-style-type: none"> • UKHY • Recruitment of new members
Show ring (2)	Council (2)
Council differences (2)	Heritage (2)

Appendix 2

Star Fish Exercise



Keep doing?	<ul style="list-style-type: none"> • Breed promotion & data (10). Beef promotion to end users. Improving data. • Hereford Youth (7). Promoting and developing youth programme. Engage new members. • Member support (6). • Marketing and communications (5). • Teamwork (4).
Stop doing?	<ul style="list-style-type: none"> • People behaviours (11). Negativity. Infighting. Politics. Conflicts. • Copying others (5). Following other breeds and trends rather than making a plan and going for it ourselves. • Road blockers (3). Fear of moving forward. Clinging onto past. • Sale prices too low (2) • Shows (1) • Paperwork (1) • Data (1)
Less off?	<ul style="list-style-type: none"> • People behaviours (8). Criticising. Infighting. Negativity. Splinter groups. • Member complaints (5). Use of lawyers, trying to please all, splinter groups. • Repetitive discussions (4). Living in the past. Going over the same arguments. • Show ring (3). • Emotional (3). Worrying about minor traits, small defects. Too emotional and not commercial enough. • Paperwork (2).
More of?	<ul style="list-style-type: none"> • Supportive (7). Harmony. Support staff. Empower leadership with strategy. Collaborative. • Member engagement (6). Help for new members. Membership involvement. More professional approach. Communications to members. • Positivity (5). Forward thinking. Leadership of the breed. • Commercial sector (3). More engagement with the dairy sector. • Fundraising (2). • Social activities (2). • Support for area reps (2). More training.

Start doing?

- Promote positive behaviour (18). Support each other. Positivity. Build team atmosphere. Keeping promises. Respect. Discipline. Setting goals and sticking to them. Empathy.
- Breed direction (8). Breed standards. Identify the target markets and breed animal for it. Sustainability. Commercial direction.
- Member services (5). Data. Workshops. Member days,
- World Conference (2). Celebrating with world Hereford.

Northern Ireland Hereford Breeders Association



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Philip/Paul

Further to your email dated 4th July 2024 regarding the removal of James Graham and David Smyth as Members, Council Members/Trustee's/and or directors of the Hereford Cattle society we as Committee of the Northern Ireland Hereford Breeders Association require explanation on the below:

- On what grounds was the action taken to remove the above named two council members from the society.

We would appreciate a written response prior to our next meeting on 17th September 2024 to the Association's Secretary.

NIHBA Committee

Random Heifer Calf Parentage Verification

DATE	BREEDER	TAG NO.	DNA	MSUD
2023				
06/01/2023	T & D Harrison , Mickley	UK114914 400294	HYF	MSUF
26/01/2023	TE & SE Davies , Newtown	UK715642 100253	HYF	MSUF
02/02/2023	Mrs H Storey , Slipton	UK209585 500133	HYF	MSUF
13/02/2023	M Holtby & Son , Beverley	UK142545 301151	HYF	MSUF
24/02/2023	Mrs J Banks , Newport	UK312864 100572		*
01/03/2023	MJ & HM Timmis , Baschurch	UK304633 601139		*
06/03/2023	W Shaw , Pickering	UK138796 200687	HYF	MSUF
08/03/2023	A & SG Stevenson & Sons , Brackenfield	UK162452 100580	HYF	MSUF
13/03/2023	Mr & Mrs D Fenton , Tenterden	UK260431 701692	HYF	MSUF
17/03/2023	Rose Hartop , St Neots	UK231011 500019	HYF	MSUF
21/02/2023	PF & DM Gwilliam , Coleford	UK320271 300786	HYF	MSUF
26/03/2023	DE, ED & AL Jones , Caersws	UK700495 701115	HYF	MSUF
28/03/2023	DP Jones Agricultural Contracting , Coleshill Birmingham	UK206476 300920		*
29/03/2023	DC Smith & Son (Talog) , Carmarthen	UK740187 301031	HYF	MSUF
02/04/2023	W Shaw , Pickering	UK138796 600733	HYF	MSUF
06/04/2023	Miss C Wootton , Braughing	UK243240 700133		*
10/04/2023	R Hodson Walker Ltd , Swadlincote	UK164485 601298	HYF	MSUF
11/04/2023	Mr & Mrs D Kelly , Kirkby Lonsdale	UK103719 203963	PVHF	*
13/04/2023	M Sedman , Whitby	UK136860 100083	HYF	MSUF
18/04/2023	Mrs CA Kirby , Tideswell Buxton	UK163283 301397		*
19/04/2023	Owen Bros , Cemaes Bay	UK704149 701290	HYF	MSUF
25/04/2023	S & L Curry , N Ireland	UK9185852 01145	HYF	MSUF
26/04/2023	A Nicholson , Woodmansey	UK142595 200438		*
27/04/2023	J Boomaars , Woldingham	UK268051 201688	HYF	MSUF
30/04/2023	A Speed , Minehead	UK348848 600865	HYF	MSUF
03/05/2023	Mrs H Storey , Slipton	UK209585 500154		*
10/05/2023	MR Barnett & Son , Hereford	UK314308 200465		*
13/05/2023	GE & SE Jackson , Ross-on-Wye	UK301541 500218	HYF	MSUF
17/05/2023	DJ Deaville , Alderwasley Belper	UK163345 400794	HYF	MSUF
18/05/2023	Miss A Winsor , Cardigan	UK745070 300591	HYF	MSUF
24/05/2023	M & L Elliott , Gloucestershire	UK211694 400059	HYF	MSUF
25/05/2023	Mrs J Cooper , Penwortham	UK190417 600046	HYF	MSUF
26/05/2023	GH Morgan , Abergele	UK705586 306316	HYF	MSUF
07/06/2023	Robinson Wyllie Ltd , Newton Stewart	UK583339 502645	HYF	MSUF
16/06/2023	S Walton , Reaseheath	UK168277 502917	HYF	MSUF
18/06/2023	A Collett , Hallow	UK315635 300019		*
26/06/2023	JP Parsons , Cheddar	UK341984 700515	HYF	MSUF
04/07/2023	MJ & GC Dobson , Burnsall	UK136339 700405	HYF	MSUF
10/07/2023	M Jenkins , Stone Berkeley	UK328254 600697	HYF	MSUF
19/07/2023	Miss E Bennison , Stockport	UK188842 600235	HYF	MSUF
02/08/2023	K Davidson , Fife	UK544841 300141	HYF	MSUF
15/08/2023	Mrs R Williamson , Nantwich	UK160779 502376	HYF	MSUF
01/09/2023	AV & OE Roberts , Garndolbenmaen	UK703042 502063	HYF	MSUF
21/09/2023	M & M Roberts , Hereford	UK300694 301049	HYF	MSUF
29/09/2023	TD & WT Livesey , Normanton le Heath	UK206099 300915	re-test required	*
04/10/2023	Mr & Mrs S Coates , Monmouthshire	UK723373 601587	HYF	MSUF
16/10/2023	Tomlinsons Farm , Preston	UK186632 200102	HYF	MSUF

27/10/2023	RA Bradstock & Partners , Herefordshire	UK301210 501607	HYF	MSUF
03/12/2023	M & C Shaw , Darlingscote Road	UK211287 600269	HYF	MSUF
22/12/2023	HW Hudson , Woodbridge	UK233233 500011		*

Random Heifer Calf Parentage Verification

2024				
30/01/2024	DJ Harden , Pwllheli	UK702673 508248	HYF	MSUF
14/02/2024	EJT James , Narberth	UK746229 600658	HYF	MSUF
22/02/2024	R & E Edwards , Leigh	UK336585 100008	HYF	MSUF
05/03/2024	Newtoncroft Farms , Leicester	UK200308 300519	HYF	MSUF
11/03/2024	MF Gray & Miss L Crowther , Bromyard	UK300185 600426	HYF	MSUF
14/03/2024	DD Rowley & Partners , Netherseal	UK164517 700642	HYC	MSUF
18/03/2024	The Hean Castle Estate , Pembrokeshire	UK746293 701410	HYF	MSUF
21/03/2024	RP Hawke , Wadebridge	UK381787 401480	HYF	MSUF
24/03/2024	J Walker , Worcestershire	UK302176 102506	HYF	MSUF
29/03/2024	Mr N & Mrs L Holdsworth , Stratford upon Avon	UK311280 600405	HYF	MSUF
01/04/2024	M Ludgate , Thame	UK287953 600714		*
03/04/2024	S Hawkins , Ledbury	UK317715 400176	HYF	MSUF
10/04/2024	J Moore , Co Down	UK9270210 07162	HYF	MSUF
15/04/2024	HI Morris & Sons , Newtown	UK701448 100852	HYF	MSUF
21/04/2024	Ballakillingan Farms Ltd , Nr Ramsey	UK010451 302333	HYF	MSUF
27/04/2024	Englefield Home Farms , Theale	UK280226 701424	HYC	MSUF
03/05/2024	L & L Bowen , Treharris	UK722096 400207	HYF	MSUF
08/05/2024	DK & DK Hanson , North Street	UK124032 200636		*
15/05/2024	RR Parkinson & Sons , Nr Kirkham	UK181082 203401	HYF	MSUF
04/05/2024	TD & WT Livesey , Normanton le Heath	UK206099 600953	HYF	MSUF
02/06/2024	SW Quan & Co , Herefordshire	UK300364 302104	HYC	MSUF
13/06/2024	TI Martin , Co Londonderry	UK9520349 30837	HYF	MSUF
30/06/2024	Lockhill Briars Co Ltd , Ashcott	UK357491 200024		*
12/07/2024	J & E Logan , Hawick	UK561785 100399		*
03/08/2024	M & C Shaw , Darlingscote Road	UK211287 700298		*

**THE HEREFORD CATTLE SOCIETY
FINANCIAL PROJECTION FOR 2023/24 & 2024/25**

	BEEF MARKETING						Notes	
	HCS (Member Services)	INVESTMENTS		PROJECT		RENTAL		TOTAL
	Projection 2024/25	Projection 2024/25	Projection 2024/25	Projection 2024/25	Projection 2024/25	Projection 2024/25		
Income								
Membership Subscriptions	105000						105000	
Registration Fees	225288						225288	Budget 500 down
DNA SNP Analysis (Weatherbys)	109805						109805	
Transfer Fees	40000						40000	
Herd Names	3500						3500	
Sales commission and sponsorship	7200						7200	Commision on two Hereford sales plus sponsorship
Semen Sales	2500						2500	
Export Fees	1200						1200	
Breed Journal advertising	20860						20860	
Rents (Includes property & car park)						89228	89228	
Beef Scheme Levies				30000			30000	
Dividends		18000					18000	
Gift Aid	18745						18745	
Donations	750						750	Estimate of unclaimed membership fees
Catering at summer shows	6000						6000	
	540848	18000	30000			89228	678076	
Expenditure								
Salary and pension payments	185620			10000		5000	200620	
HMRC NI Employers contribution	22122						22122	
Employee bonus scheme	12000						12000	January to December 2024
Staff training and health and safety support	1000						1000	
Publicity & Promotion (note 1)	126439						126439	Please see below Includes office equipment & one pool car
Depreciation	3500						3500	
Rates (Building & Water)	7950					7950	15900	
Building improvements & building repairs	6000					4000	10000	General maintenance
IT - Support and equipment	10000						10000	Software, website maintenance x2, email hosting, servers, VPN and IT Support
Insurances - Building, Public Liability and Manage	5000					1600	6600	Building Insurance has been split between HH & Rentals
Health cover	2489						2489	OD health cover
Professional fees include solicitor, Croner and investment management fees	7000						7000	TA Matthews, Croner and Canaccord
Fenton & Hall legal fees	7000						7000	
Accounts Management Fees	2225						2225	Thorne Widgery accountants
Accounts Payroll Fees	970						970	Thorne Widgery accountants
Audit fee	6125						6125	Thorne Widgery accountants
Travelling Expenses for staff & Council members	18000						18000	
Postage, printing and stationery	13000						13000	
Telephone including internet supply	3000						3000	
Electricity	10000					10000	20000	
Subscriptions	1300						1300	NBA and World Hereford Council
DNA Analysis (Weatherbys)	105000						105000	
Grants	3000						3000	Area association grants
Office Cleaning	12000						12000	
UKHY Travel	2905						2905	Re Moralee Fund DG Sale 2019 & donation Isla Soutter
Vehicle Expenses	1300						1300	One pool car
ABRI Breedplan Support	17800						17800	
Random calf inspections	1000						1000	
Beef marketing and literature				24,000			24000	Ripple @ £2,000 per month
Beef sustainability project							0	
Breed Improvement: Scanning & Superior Carcase Sire Fees	3500						3500	
Young Breeders activities with UKHY	10000						10000	
Sundry expenditure	4000						4000	
	611245	0	34000			28550	673795	
Trading Projections for the Year	-70397	18000	-4000			60678	4281	
Note 1								
Publicity & Promotion Analysis								
Stands at Agricultural Events	43500						43500	
Advertising	30000						30000	includes in-house and external printing of promotional material
Production of new publications	10000						10000	
Breed Journal production	26439						26439	
Farm features and photography	5000						5000	For press and breed journal
Professional photography	10000						10000	
Publicity sundries	1500						1500	
	126439						126439	





Portfolio report

THE HEREFORD CATTLE SOCIETY

01 July 2024 - 30 August 2024

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1. Portfolio summary

THE HEREFORD CATTLE SOCIETY DPM 6

Total value at 30 August 2024

£653,415

Investment profile

Service: Discretionary Portfolio Management

Primary purpose: To grow capital

Investment time horizon: 5+ years

Secondary purpose: To generate supplementary income

Investment restrictions: None

Capacity for loss & income dependence: Some significant fluctuations can be tolerated to both capital and income.

Suitability: This portfolio is run under our Discretionary Portfolio Management Service, we continually assess it in relation to its objectives and risk profile and will take action where appropriate to ensure its suitability.

Risk profile



Portfolios following this strategy must be prepared to accept a material degree of short-term downside in the pursuit of higher total returns.

We categorise risk on a scale of 1 to 9 where 1 is the lowest and 9 is the highest. Risk level 1 portfolios are predominantly made up of cash deposits subject to little more than inflation risk but offer the lowest potential for returns. Risk level 9 portfolios carry the highest risks, including the potential for significant decreases in market value, with the vast majority of the portfolio being subjected to market risk in order to obtain potentially higher returns.

We're committed to delivering excellent service and achieving good outcomes for all our clients. If you have any questions about your report, need additional support to help you engage with us or our services, or want to discuss anything, we'd be delighted to hear from you. You can get in touch by telephone or email – whichever suits you best.

Asset allocation



33.81%	Debt and Fixed Interest
59.29%	Equities
4.84%	Alternative Investments
2.06%	Cash

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2. Portfolio analysis

THE HEREFORD CATTLE SOCIETY DPM 6

Holder	Account name	Value
THE HEREFORD CATTLE SOCIETY	THE HEREFORD CATTLE SOCIETY 71684995.1001 DPM GBP	£653,415

Movements and performance

Period	End period value	Capital additions & withdrawals	Income additions & withdrawals	Portfolio performance
01 Jul 2024 to 30 Aug 2024	£653,415	-£60,000	£0	2.58%
01 Apr 2024 to 30 Jun 2024	£695,586	-£30,000	£0	0.86%
01 Jan 2024 to 31 Mar 2024	£719,447	£0	£0	0.22%
01 Oct 2023 to 31 Dec 2023	£717,884	£0	£0	5.33%
YTD (01 Jan 2024 to 30 Aug 2024)	£653,415	-£90,000	£0	3.69%

Asset allocation

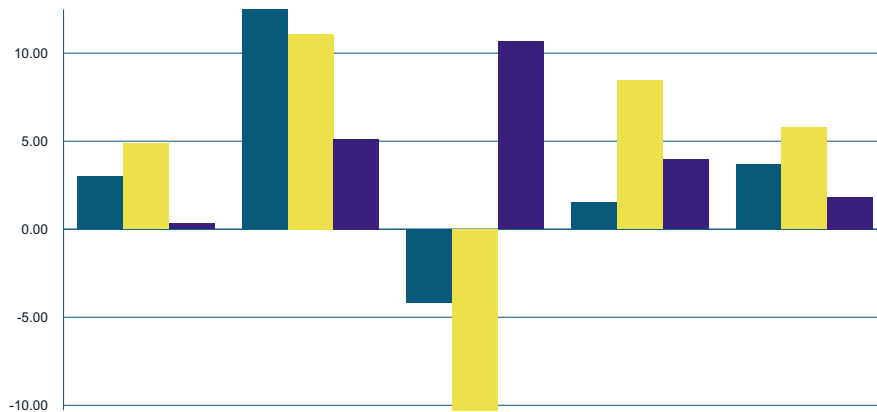
Asset	Total %
Debt and Fixed Interest	33.81%
High Yield	2.19%
International	9.11%
Government	14.15%
Corporate	2.48%
Specialist	5.87%
Equities	59.29%
Australasia	3.82%
Europe	2.57%
Far East	2.63%
Japan	2.54%
North America	2.36%
Thematic	9.43%
United Kingdom	26.61%
International	5.78%
Private Equity	3.54%
Alternative Investments	4.84%
Indirect Property	4.84%
Cash	2.06%
UK Sterling	2.06%

3. Performance

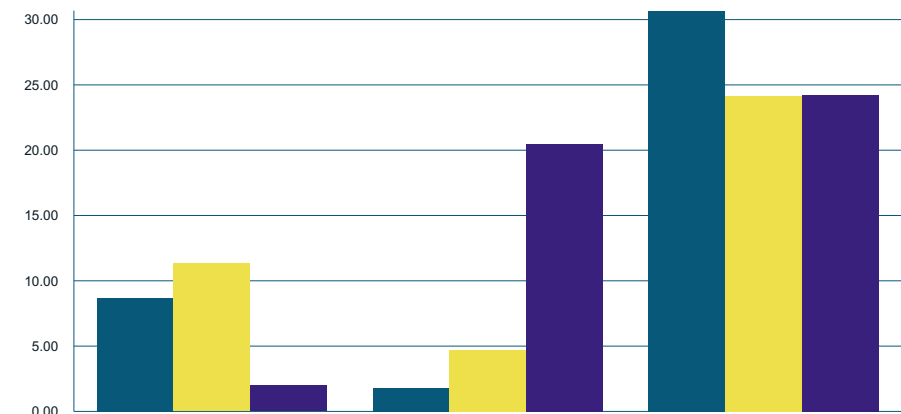
THE HEREFORD CATTLE SOCIETY DPM 6

Time period	End of Period value	Additions & withdrawals	*Peer group	UK CPI	Portfolio performance
Quarter to 30 Aug 2024	£653,415	−£60,000	1.74%	0.15%	2.58%
Year to 30 Aug 2024	£653,415	−£90,000	5.77%	1.82%	3.69%
2023	£717,884	−£35,000	8.44%	3.95%	1.52%
2022	£741,450	£0	−10.28%	10.67%	−4.16%
2021	£777,416	£0	11.08%	5.13%	12.48%
2020	£691,250	£34,096	4.86%	0.32%	3.00%

***Peer group:** The selected peer group comparison is the Morningstar GBP Allocation 40-60% Equity. This is an externally monitored group of institutional funds and/or indices with approximately equivalent asset allocation to the portfolio's risk profile benchmark. Underlying fees and charges will vary across the peer group and may differ from those that apply to the portfolio. This market comparison may be different to the entity listed above if your risk profile has changed during the detailed period. Please contact me for more information.



	2020	2021	2022	2023	YTD
● Portfolio	3.00%	12.48%	−4.16%	1.52%	3.69%
● Peer Group	4.86%	11.08%	−10.28%	8.44%	5.77%
● CPI	0.32%	5.13%	10.67%	3.95%	1.82%



	1 Year	3 Year	5 Year
● Portfolio	8.65%	1.79%	30.69%
● Peer Group	11.33%	4.69%	24.16%
● CPI	1.98%	20.47%	24.24%

4. Market commentary

Quarterly commentary Q2 2024

Halfway into the year, most of the key factors underpinning our 'base case for 2024' are playing out as we expected. This year has been the year of the anticipated 'great deceleration', with moderating economic growth, subsiding inflationary pressures, and expected cuts in interest rates becoming a reality. As we forecast at the start of 2024, our view was that the broad cooling of economic activity and inflation would be a positive for the two main asset classes, fixed interest, and equities. This would allow financial markets and client portfolios to recover from a difficult year in 2022. We will see these trends change in the second half of the year? Is our balanced and diversified stance too cautious? Conversely, should we be more concerned about the potential for a negative turn as we progress deeper into a decade we have termed 'the turbulent twenties'?

It's debatable whether slowing economic activity is a positive for asset market returns, as we predicted. The rationale was that the strength of the US economy post-pandemic was becoming a problem, as the economy was running 'too hot' and stoking the fires of inflation. A moderation in activity would stultify price rises and relieve consumer pressure. This year we have started to see minor cracks in the US economy, but it's still growing and, importantly, the labour market remains supportive of overall economic activity. There is still no sign of a US recession that many have been forecasting for the last few years. This could change as we move towards and into a new year, but with China and Europe showing some

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It's always easy to become either extremely optimistic or bearish when assessing the economic and market outlook. We have learned to take a balanced view over the last few decades... We think this is the right approach for long-term investment.
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signs of improvement, the 'waiting for Godot' recession (meaning a recession that always seems around the corner but has not yet materialised) might take longer to arrive. Those much-needed signs of improvement in Asia and Europe positively mean that the share of global economic activity is better balanced.

Inflation has been the greatest concern for investors this year and the biggest influence on market volatility. Concerns around the persistency of inflation have often weighed on the prices of some assets, even as markets have made positive progress. Our view is unchanged: inflationary pulses are gradually receding, even if some concern remains, most notably in the services sector (due to wage price rises in an unbalanced employment backdrop). At this point we are happy to maintain the view that inflation will continue to move lower in the second half of the year, albeit following a bumpy path.

Two main concerns dominate the outlook for inflation. The first surrounds the US government's irresponsible attitude

towards unchecked fiscal spending and the distortive economic impact, which could lead to price pressures, as bottlenecks appear in the economy. The second is around the historical trend for second waves of inflation, once the first has subsided, which is something we need to be alert to.

The third contributing factor behind our macroeconomic 'base case' has been central banks' ability to change direction and loosen monetary policy in response to cooling economic activity and disinflationary trends. There has been solid evidence recently for this. The central banks in Canada, Sweden, Switzerland, and the European Central Bank have started a programme of interest rate cuts, with more to follow. More important for the asset markets that we invest in will be the forthcoming decisions from the Bank of England and US Federal Reserve. While the central bankers on both sides of the Atlantic will need to see a persistence in recent inflationary trends over the next couple of months, we expect interest rates to be lowered twice in the next six months in both the US and the UK. This will mean that our predictions from the start of the year have taken longer to be fulfilled, but we will end up in the same place.

Financial markets have enjoyed the macroeconomic backdrop of 2024 so far. Solid economic activity, slowing inflation, and the prospect of interest rate cuts has boosted equity markets and encouraged a broad-based rally across global stock markets. The US has continued to lead the performance tables, with outperformance of a small cohort of very large technology companies, but all markets around the world have enjoyed a positive environment. We believe that this

4. Market commentary

enthusiasm has been justified, but it does lead us to question what might be possible for equity markets in the coming months. We think we can continue to make progress, even if the potential for short-term returns has been limited by the positivity of recent months. With valuations across most markets still 'about right', growth in corporate earnings, and evidence that profit margins are expanding again, it would be strange to see a major market downturn, unless something unexpected happens geopolitically or economically.

Fixed interest returns lagged equities over the first five months of the year, as inflation concerns lingered, and the market reappraised the prospects for interest rate cuts in the coming months. At the start of the year, the market expectation was for six or seven interest rate cuts in the US by the end of January 2025. But, as the year has developed, this has amounted to two, which is roughly in line with our own forecasts from the start of 2024. In the last month, with better news on inflation, signs that the US economy is moderating and verbal signs from central banks that rate cuts are coming, fixed interest markets have started to make positive gains. As with equities, there have been a range of returns across different markets and our favoured areas have done well. We expect further progress and positive returns from the asset class for the rest of 2024.

We have been saying for some time that we believe it's right, in this uncertain world we live in, to be 'balanced, diversified and open-minded'. Are we being too conservative? We could be underestimating the transformative effect that Artificial Intelligence (AI) and other technology will have upon the global

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Inflation has been the greatest concern for investors this year and the biggest influence on volatility in markets... Our view remains unchanged: inflationary pulses are gradually receding, even if some concern remains...

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economy and corporate sector. Economic growth could be fuelled by productivity gains, whilst inflation could be kept low by such developments, as well as by the potential for newfound sources of cheap energy. Central banks could lower interest rates and keep them low without any negative side effects. Investors might rejoice at such a scenario and asset markets could perform strongly, as company profits grow, and asset valuations rise.

If this scenario sounds too good to be true - it might be. We must still recognise that we live in a geopolitically-dangerous world, with both overt and covert conflicts raging around the world. The friction between the US and China will persist, fuelling an era of uncertainty, not least on the inflation front - and this uncertainty on inflation is an unwelcome symptom of the geopolitically-fractured world we are now investing in. At the same time, we live in politically interesting times. There are several decisive elections on the horizon, with the potential for significant changes in economic and fiscal policy. Economically, there's always potential for upside surprises,

but our 'base case' has long been for solid but unspectacular growth. This 'muddle through' scenario will be conducive to making positive returns from financial markets, but leaves less margin for error. The big risk resides within governments' finances across the developed world. The approach that elected governments across the world have had to spending has been irresponsible. With deficits remaining very wide, we must be concerned about the future financing needs of governments. However, any negative shocks from this situation could take a long time to evolve.

It's always easy to become either extremely optimistic or bearish* when assessing the economic and market outlook. We have learned to take a balanced view over the last few decades. We think this is the right approach for long-term investment. As we survey the economic and market landscape in front of us, we arrive to some simple conclusions. The global economy does not yet appear on the verge of a recession, but the risk of a slowdown in the US has risen. Inflation is still too high but it's moving in the right direction. Interest rates are likely to be lowered in the coming months, which should help some asset classes perform well. Asset market valuations are not cheap, but nor are they very expensive. This leads us to believe that the overall balance between risk and reward is sensible. This could well mean that you hear us repeat the terms 'balanced, diversified and open-minded' for some time to come.

Written on 21st June 2024

**See online glossary for definition.*

5. Investment summary

Asset type	% of total	Book cost	Current value	Gain/Loss	Income [°]	Yield [°]
Debt and Fixed Interest						
High Yield	2.19%	£14,919	£14,336	-£583	£1,260	8.79%
International	9.11%	£56,757	£59,559	£2,802	£4,190	7.03%
Government	14.15%	£90,868	£92,113	£1,244	£3,661	3.97%
+ accrued interest			£370			
Corporate	2.48%	£16,034	£16,201	£167	£838	5.17%
Specialist	5.87%	£34,932	£38,348	£3,415	£3,511	9.16%
Total debt and fixed interest	33.81%	£213,511	£220,556	£7,045	£13,460	6.10%
+ accrued interest			£370			
Equities						
Australasia	3.82%	£24,068	£24,984	£916	£1,907	7.63%
Europe	2.57%	£16,146	£16,784	£638	£560	3.33%
Far East	2.63%	£16,070	£17,184	£1,114	£755	4.39%
Japan	2.54%	£15,883	£16,627	£745	£446	2.68%
North America	2.36%	£16,077	£15,406	-£672	£488	3.17%
Thematic	9.43%	£43,832	£61,585	£17,753	£850	1.38%
United Kingdom	26.61%	£147,367	£173,900	£26,533	£6,954	4.00%
International	5.78%	£33,311	£37,800	£4,489	£1,755	4.64%

[°] Estimated annual

5. Investment summary

Asset type	% of total	Book cost	Current value	Gain/Loss	Income [°]	Yield [°]
<i>Equities (continued)</i>						
Private Equity	3.54%	£12,036	£23,130	£11,094	£293	1.26%
Total equities	59.29%	£324,791	£387,400	£62,609	£14,008	3.62%
Alternative Investments						
Indirect Property	4.84%	£45,973	£31,607	-£14,366	£2,197	6.95%
Total alternative investments	4.84%	£45,973	£31,607	-£14,366	£2,197	6.95%
Cash						
UK Sterling	2.06%	£13,483	£13,483	£0	£324	2.40%
Total cash	2.06%	£13,483	£13,483	£0	£324	2.40%
Grand totals	100.00%	£597,758	£653,415	£55,657	£29,988	4.59%

[°] Estimated annual

6. Valuation

Description	% Total	Quantity	Book cost	Market price	Current value	Gain/Loss	Income [°]	Yield [°]
Debt and Fixed Interest								
High Yield								
CQS NEW CITY HIGH YIELD FUND LTD ORD NPV	2.19%	28,000.0	£14,919	£0.512 XD	£14,336	−£583	£1,260	8.79%
Sub-total High Yield	2.19%		£14,919		£14,336	−£583	£1,260	8.79%
International								
MI TWENTYFOUR ASSET BACKED INC A GRS DIS	3.11%	17,500.0	£19,351	£1.1594	£20,290	£939	£1,871	9.22%
MI TWENTYFOUR FOCUS BOND A GROSS DIS	3.16%	22,500.0	£19,356	£0.9177	£20,648	£1,293	£1,436	6.95%
VONTOBEL FUND TWENTYFOUR STRAT INC AQQ GBP DIS	2.85%	195.0	£18,051	£95.49	£18,621	£570	£883	4.74%
Sub-total International	9.11%		£56,757		£59,559	£2,802	£4,190	7.03%
Government								
ISHARES II PLC USD TREAS BD 7-10YR UCIT ETF GBP DIS HGD	3.42%	5,000.0	£21,675	£4.471	£22,355	£680	£770	3.44%
UK TREASURY GILT 4.125% BDS 29/01/2027 GBP1000 + accrued interest	7.68%	50,000.0	£49,575	£100.0425	£50,021 £179	£447	£2,063	4.12%
UK TREASURY GILT 4.25% SNR BDS 07/12/2027 GBP1000 'REGS' + accrued interest	3.05%	19,500.0	£19,619	£101.2122	£19,736 £190	£117	£829	4.20%
Sub-total Government	14.15%		£90,868		£92,113	£1,244	£3,661	3.97%

[°] Estimated annual | XD Excluding dividend

6. Valuation

Description	% Total	Quantity	Book cost	Market price	Current value	Gain/Loss	Income [°]	Yield [°]
Debt and Fixed Interest continued								
Corporate								
JUPITER DYNAMIC BOND I DIS	2.48%	1,700.0	£16,034	£9.53	£16,201	£167	£838	5.17%
Sub-total Corporate	2.48%		£16,034		£16,201	£167	£838	5.17%
Specialist								
CVC INCOME & GROWTH LIMITED ORD NPV GBP	2.69%	15,000.0	£14,548	£1.1725 XD	£17,588	£3,039	£1,519	8.64%
TWENTYFOUR INCOME FUND LTD ORD RED GBP0.01	3.18%	20,000.0	£20,384	£1.038	£20,760	£376	£1,992	9.60%
Sub-total Specialist	5.87%		£34,932		£38,348	£3,415	£3,511	9.16%
Total debt and fixed interest	33.81%		£213,511		£220,556	£7,045	£13,460	6.10%
+ accrued interest					£370			
Equities								
Australasia								
BHP GROUP LTD NPV	3.82%	1,200.0	£24,068	£20.82	£24,984	£916	£1,907	7.63%
Sub-total Australasia	3.82%		£24,068		£24,984	£916	£1,907	7.63%
Europe								
BLACKROCK CONTINENTAL EUROPEAN INC D DIS	2.57%	8,750.0	£16,146	£1.9181	£16,784	£638	£560	3.33%
Sub-total Europe	2.57%		£16,146		£16,784	£638	£560	3.33%

[°] Estimated annual | XD Excluding dividend

6. Valuation

Description	% Total	Quantity	Book cost	Market price	Current value	Gain/Loss	Income [°]	Yield [°]
Equities continued								
Far East								
SCHRODER ORIENTAL INCOME FUND ORD GBP0.01	2.63%	6,400.0	£16,070	£2.685	£17,184	£1,114	£755	4.39%
Sub-total Far East	2.63%		£16,070		£17,184	£1,114	£755	4.39%
Japan								
WS MORANT WRIGHT NIPPON YIELD B DIS	2.54%	3,500.0	£15,883	£4.7507	£16,627	£745	£446	2.68%
Sub-total Japan	2.54%		£15,883		£16,627	£745	£446	2.68%
North America								
CISCO SYSTEMS INC COM USD0.001	2.36%	400.0	£16,077	\$50.54	£15,406	-£672	£488	3.17%
Sub-total North America	2.36%		£16,077		£15,406	-£672	£488	3.17%
Thematic								
BELLEVUE HEALTHCARE TRUST PLC REDEEMABLE ORD GBP0.01	3.60%	15,000.0	£21,923	£1.568	£23,520	£1,597	£756	3.21%
BLACKROCK GOLD AND GENERAL D DIS	2.69%	1,250.0	£14,804	£14.0742	£17,593	£2,788	£94	0.54%
HERALD INVESTMENT TRUST ORD GBP0.25	3.13%	950.0	£7,104	£21.55	£20,473	£13,368	£0	0.00%
Sub-total Thematic	9.43%		£43,832		£61,585	£17,753	£850	1.38%
United Kingdom								
BAE SYSTEMS ORD GBP0.025	2.50%	1,200.0	£10,162	£13.625	£16,350	£6,188	£371	2.27%
CRANSWICK ORD GBP0.10	2.58%	350.0	£8,080	£48.15 XD	£16,853	£8,772	£315	1.87%
DIAGEO ORD GBP0.28 101/108	2.46%	650.0	£13,898	£24.72 XD	£16,068	£2,170	£513	3.19%

[°] Estimated annual | XD Excluding dividend

6. Valuation

Description	% Total	Quantity	Book cost	Market price	Current value	Gain/Loss	Income [°]	Yield [°]
Equities continued								
INTERMEDIATE CAPITAL GROUP PLC ORD GBP0.2625	3.09%	950.0	£15,807	£21.24	£20,178	£4,371	£751	3.72%
NATIONAL GRID ORD GBP0.12431289	3.12%	2,040.0	£16,892	£9.984	£20,367	£3,475	£1,194	5.86%
PHOENIX GROUP HOLDINGS PLC ORD GBP0.10	2.75%	3,183.0	£20,758	£5.65	£17,984	-£2,774	£1,676	9.32%
RENISHAW ORD GBP0.20	2.17%	400.0	£13,494	£35.40	£14,160	£666	£305	2.15%
SHELL PLC ORD EUR0.07	4.76%	1,160.0	£28,422	£26.805 XD	£31,094	£2,672	£1,205	3.87%
UNILEVER PLC ORD GBP0.031111	3.19%	425.0	£19,854	£49.05 XD	£20,846	£993	£626	3.00%
Sub-total United Kingdom	26.61%		£147,367		£173,900	£26,533	£6,954	4.00%
International								
MURRAY INTERNATIONAL TRUST ORD GBP0.05	5.78%	15,000.0	£33,311	£2.52	£37,800	£4,489	£1,755	4.64%
Sub-total International	5.78%		£33,311		£37,800	£4,489	£1,755	4.64%
Private Equity								
HG CAPITAL TRUST PLC ORD GBP0.025	3.54%	4,500.0	£12,036	£5.14	£23,130	£11,094	£293	1.26%
Sub-total Private Equity	3.54%		£12,036		£23,130	£11,094	£293	1.26%
Total equities	59.29%		£324,791		£387,400	£62,609	£14,008	3.62%
Alternative Investments								
Indirect Property								
PRIMARY HEALTH PROPERTIES PLC ORD GBP0.125	1.65%	11,150.0	£15,145	£0.967	£10,782	-£4,363	£769	7.14%

[°] Estimated annual | XD Excluding dividend

6. Valuation

Description	% Total	Quantity	Book cost	Market price	Current value	Gain/Loss	Income [°]	Yield [°]
Alternative Investments continued								
TARGET HEALTHCARE REIT PLC ORD GBP0.01	3.19%	25,000.0	£30,828	£0.833 XD	£20,825	−£10,003	£1,428	6.86%
Sub-total Indirect Property	4.84%		£45,973		£31,607	−£14,366	£2,197	6.95%
Total alternative investments	4.84%		£45,973		£31,607	−£14,366	£2,197	6.95%
Cash								
UK Sterling								
71684995.2001 Income account GBP	0.28%	1,847.27	£1,847	£1.00	£1,847	N/A	£44	2.40%
71684995.2002 Dealing account GBP	1.78%	11,635.65	£11,636	£1.00	£11,636	N/A	£279	2.40%
Sub-total UK Sterling	2.06%		£13,483		£13,483	£0	£324	2.40%
Total cash	2.06%		£13,483		£13,483	£0	£324	2.40%
Grand totals	100.00%		£597,758		£653,415	£55,657	£29,988	4.59%

[°] Estimated annual | XD Excluding dividend

7. Stock transactions

THE HEREFORD CATTLE SOCIETY 71684995.1001 DPM GBP THE HEREFORD CATTLE SOCIETY

Report date	Trade date & Time	Description	ISIN	Type	Venue	Price & Exchange rate	Quantity	Charges & levies	Proceeds / Cost
29 Jul 24	29 Jul 24 14:01	EQUINOR ASA NOK2.50	NO0010096985	Sell Market order	Oslo Stock Exchange	NOK288.20 GBP NOK 14.281	875.00	NOK1,886.04	NOK250,288.96
29 Jul 24	29 Jul 24 14:00	BLACKROCK WORLD MINING TRUST ORD GBP0.05	GB0005774855	Sell Market order	LSE London Stock Exchange	£5.5781 N/A	2,200.00	-£106.00	£12,165.74
29 Jul 24	29 Jul 24 14:01	HERALD INVESTMENT TRUST ORD GBP0.25	GB0004228648	Sell Market order	LSE London Stock Exchange	£22.2378 N/A	450.00	-£106.00	£9,901.00
29 Jul 24	29 Jul 24 14:00	NATIONAL GRID ORD GBP0.12431289	GB00BDR05C01	Sell Market order	LSE London Stock Exchange	£9.826 N/A	1,254.00	-£106.00	£12,215.80
29 Jul 24	29 Jul 24 14:01	TATE & LYLE ORD 29 1/6P	GB00BP92CJ43	Sell Market order	LSE London Stock Exchange	£6.5622 N/A	1,886.00	-£106.00	£12,270.31

8. Cash statement

THE HEREFORD CATTLE SOCIETY

01 July 2024 - 30 August 2024

Reference: 2415346

THE HEREFORD CATTLE SOCIETY 71684995.1001 DPM GBP | 71684995.2001 | THE HEREFORD CATTLE SOCIETY Income account | GBP

Date	Settlement	Description	Credits	Debits	Balance
30 Jun 24		Opening Balance			£1,002.03
01 Jul 24	01 Jul 24	Transfer to dealing account	£0.00	£1,002.03	£0.00
12 Jul 24	12 Jul 24	Dividend cash: 1700 - JUPITER DYNAMIC BOND I DIS	£214.20	£0.00	£214.20
16 Jul 24	16 Jul 24	Transfer to dealing account	£0.00	£214.20	£0.00
18 Jul 24	29 Jul 24	Interest UK TREASURY GILT 4.125% BDS 29/01/2027 GBP1000	£1,031.25	£0.00	£1,031.25
19 Jul 24	19 Jul 24	Dividend cash: 2550 - NATIONAL GRID ORD GBP0.12431289	£997.56	£0.00	£2,028.81
24 Jul 24	24 Jul 24	Dividend cash: 400 - CISCO SYSTEMS INC COM USD0.001	£104.44	£0.00	£2,133.25
31 Jul 24	31 Jul 24	Dividend cash BLACKROCK FUND MANAGERS LTD BLACKROCK CONTINENTAL EUROPEAN INC D DIS	£425.18	£0.00	£2,558.43
01 Aug 24	01 Aug 24	Transfer to dealing account	£0.00	£2,558.43	£0.00
02 Aug 24	02 Aug 24	Dividend cash: 20000 - TWENTYFOUR INCOME FUND LTD ORD RED GBP0.01	£400.00	£0.00	£400.00
02 Aug 24	02 Aug 24	Dividend cash: 950 - INTERMEDIATE CAPITAL GROUP PLC ORD GBP0.2625	£505.40	£0.00	£905.40
02 Aug 24	02 Aug 24	Dividend cash: 1886 - TATE & LYLE ORD 29 1/6P	£243.29	£0.00	£1,148.69
02 Aug 24	02 Aug 24	Dividend cash: 6400 - SCHRODER ORIENTAL INCOME FUND ORD GBP0.01	£128.00	£0.00	£1,276.69
16 Aug 24	16 Aug 24	Dividend cash: 15000 - MURRAY INTERNATIONAL TRUST ORD GBP0.05	£375.00	£0.00	£1,651.69
16 Aug 24	16 Aug 24	Dividend cash: 11150 - PRIMARY HEALTH PROPERTIES PLC ORD GBP0.125	£30.66	£0.00	£1,682.35
16 Aug 24	16 Aug 24	Dividend cash: 11150 - PRIMARY HEALTH PROPERTIES PLC ORD GBP0.125	£161.68	£0.00	£1,844.03
16 Aug 24	16 Aug 24	Transfer to dealing account	£0.00	£1,276.69	£567.34
29 Aug 24	29 Aug 24	Dividend cash: 15000 - BELLEVUE HEALTHCARE TRUST PLC REDEEMABLE ORD GBP0.01	£378.00	£0.00	£945.34
30 Aug 24	30 Aug 24	Dividend cash: 25000 - TARGET HEALTHCARE REIT PLC ORD GBP0.01	£357.00	£0.00	£1,302.34
30 Aug 24	30 Aug 24	Dividend cash: 15000 - CVC INCOME & GROWTH LIMITED ORD NPV GBP	£309.38	£0.00	£1,611.72

8. Cash statement

THE HEREFORD CATTLE SOCIETY

01 July 2024 - 30 August 2024

Reference: 2415346

Date	Settlement	Description	Credits	Debits	Balance
30 Aug 24	30 Aug 24	Dividend cash: 350 - CRANSWICK ORD GBP0.10	£235.55	£0.00	£1,847.27
Balance at 30 August 2024					£1,847.27

THE HEREFORD CATTLE SOCIETY 71684995.1001 DPM GBP | 71684995.2002 | THE HEREFORD CATTLE SOCIETY Dealing account | GBP

Date	Settlement	Description	Credits	Debits	Balance
30 Jun 24		Opening Balance			£3,543.49
01 Jul 24	01 Jul 24	Transfer from income account	£1,002.03	£0.00	£4,545.52
10 Jul 24	10 Jul 24	Management Fee: THE HEREFORD CATTLE SOCIETY 71684995.1001 DPM GBP	£0.00	£1,037.68	£3,507.84
16 Jul 24	16 Jul 24	Transfer from income account	£214.20	£0.00	£3,722.04
29 Jul 24	31 Jul 24	875 EQUINOR ASA NOK2.50	£17,525.64	£0.00	£21,247.68
29 Jul 24	31 Jul 24	2200 BLACKROCK WORLD MINING TRUST ORD GBP0.05	£12,165.74	£0.00	£33,413.42
29 Jul 24	31 Jul 24	450 HERALD INVESTMENT TRUST ORD GBP0.25	£9,901.00	£0.00	£43,314.42
29 Jul 24	31 Jul 24	1254 NATIONAL GRID ORD GBP0.12431289	£12,215.80	£0.00	£55,530.22
29 Jul 24	31 Jul 24	1886 TATE & LYLE ORD 29 1/6P	£12,270.31	£0.00	£67,800.53
01 Aug 24	01 Aug 24	Transfer from income account	£2,558.43	£0.00	£70,358.96
16 Aug 24	16 Aug 24	Transfer from income account	£1,276.69	£0.00	£71,635.65
27 Aug 24	28 Aug 24	Payment to Bank	£0.00	£60,000.00	£11,635.65
Balance at 30 August 2024					£11,635.65

9. Income schedule

Date	Payment date	Description	Holding	Market value	Rate	Gross received	Tax rate	Tax	Net dividend
12 Jul 24	12 Jul 24	JUPITER DYNAMIC BOND I DIS	1,700.00	£0.126	Net	£214.20	0.00%	£0.00	£214.20
18 Jul 24	29 Jul 24	UK TREASURY GILT 4.125% BDS 29/01/2027 GBP1000	50,000.00	0.00	Net	£1,031.25	0.00%	£0.00	£1,031.25
19 Jul 24	19 Jul 24	NATIONAL GRID ORD GBP0.12431289	2,550.00	£0.3912	Net	£997.56	0.00%	£0.00	£997.56
24 Jul 24	24 Jul 24	CISCO SYSTEMS INC COM USD0.001	400.00	\$0.40	Net	\$160.00	15.00%	\$24.00	£104.44
31 Jul 24	31 Jul 24	BLACKROCK CONTINENTAL EUROPEAN INC D DIS	8,750.00	£0.04859187	Net	£425.18	0.00%	£0.00	£425.18
02 Aug 24	02 Aug 24	TWENTYFOUR INCOME FUND LTD ORD RED GBP0.01	20,000.00	£0.02	Net	£400.00	0.00%	£0.00	£400.00
02 Aug 24	02 Aug 24	INTERMEDIATE CAPITAL GROUP PLC ORD GBP0.2625	950.00	£0.532	Net	£505.40	0.00%	£0.00	£505.40
02 Aug 24	02 Aug 24	TATE & LYLE ORD 29 1/6P	1,886.00	£0.129	Net	£243.29	0.00%	£0.00	£243.29
02 Aug 24	02 Aug 24	SCHRODER ORIENTAL INCOME FUND ORD GBP0.01	6,400.00	£0.02	Net	£128.00	0.00%	£0.00	£128.00
16 Aug 24	16 Aug 24	MURRAY INTERNATIONAL TRUST ORD GBP0.05	15,000.00	£0.025	Net	£375.00	0.00%	£0.00	£375.00
16 Aug 24	16 Aug 24	PRIMARY HEALTH PROPERTIES PLC ORD GBP0.125	11,150.00	£0.00275	Net	£30.66	0.00%	£0.00	£30.66
16 Aug 24	16 Aug 24	PRIMARY HEALTH PROPERTIES PLC ORD GBP0.125	11,150.00	£0.0145	Net	£161.68	0.00%	£0.00	£161.68
29 Aug 24	29 Aug 24	BELLEVUE HEALTHCARE TRUST PLC REDEEMABLE ORD GBP0.01	15,000.00	£0.0252	Net	£378.00	0.00%	£0.00	£378.00
30 Aug 24	30 Aug 24	CQS NEW CITY HIGH YIELD FUND LTD ORD NPV	28,000.00	£0.015	Net	£420.00	0.00%	£0.00	£420.00
30 Aug 24	30 Aug 24	TARGET HEALTHCARE REIT PLC ORD GBP0.01	25,000.00	£0.01428	Net	£357.00	0.00%	£0.00	£357.00
30 Aug 24	30 Aug 24	CVC INCOME & GROWTH LIMITED ORD NPV GBP	15,000.00	£0.020625	Net	£309.38	0.00%	£0.00	£309.38
30 Aug 24	30 Aug 24	CRANSWICK ORD GBP0.10	350.00	£0.673	Net	£235.55	0.00%	£0.00	£235.55

9. Income schedule

THE HEREFORD CATTLE SOCIETY

01 July 2024 - 30 August 2024

Reference: 2415346

Date	Payment date	Description	Holding	Market value	Rate	Gross received	Tax rate	Tax	Net dividend
		Total £				£6,212.15		£0.00	£6,316.59
		Total \$				\$160.00		\$24.00	\$0.00

10. Fees & charges

Notes:

Any fees disclosed may include amounts charged in respect of other accounts you have with Canaccord and will be debited from the account or accounts you have requested.

Other fees and charges may have been debited to your account in accordance with our standard schedule of charges and some transactions may incur commission. These are disclosed on contract notes, stock transaction schedules or within your cash statements, as appropriate. Details of how these have been calculated are available from your Investment Executive relationship manager. Canaccord rate cards are usually updated annually, in March, and can also be requested from your relationship manager.

11. Basis of report

This valuation was prepared for your information as at the date shown and may include holdings for more than one account which will be annotated accordingly. Each holding is shown at its market value based on the bid (sale) price at the close of business on the date of the valuation, or fair value if the market value is unavailable. These prices may differ from those that can actually be achieved on sale of the asset. Cash balances are also included in the valuation.

Holdings marked as 'Unlisted securities' are assets which are not traded on a formal exchange because they do not meet listing requirements. Trading is done on the over-the-counter (OTC) market and there is no reliable price available. We have used the last price available to us however this should not be relied on as an indication of the price that may be achieved when selling the asset.

Consumer Price Index (CPI) data is only published monthly with a circa two week delay. Therefore, to maintain consistency and period length for comparisons, values one month in arrears are used.

This report also provides details of all cash and stock transactions executed during the period including prices achieved, charges and taxes deducted.

Where clients have not taken the opportunity to use our nominee and safe custody service, Canaccord Genuity Wealth Limited (CGWL) cannot guarantee the accuracy of valuations and such valuations are compiled for guidance only.

Please also refer to our Terms of Business which may contain other relevant information relating to the basis of valuations.

Glossary of terms

A glossary of the terms used in our reports can be found at the following location but please feel free to contact me should you desire additional explanation of any term used in any of our reports.

<https://canaccordgenuity.com/wealth-management-uk/glossary/>

Income information

We take dividend/yield information from an external provider and while CGWL, and its subcustodians, will use reasonable endeavours to ensure that this information is correct and current, we cannot guarantee its accuracy or that it is up to date. Where future dividend rates have not been published or are not available from our data feeds, forecast annual incomes and yields have been calculated using the historical gross income including notional tax credits if applicable.

The income schedule is correct as at the last day of the reporting period. Transactions outside this period will not be reflected in the income schedule. The gross income shown is calculated to reflect the appropriate current tax credit.

Book values

Book value also known as book cost, is the value at which the asset was first recorded by CGWL. Book values shown may differ from the base cost used for Capital Gains Tax calculations due to the complex share identification rules. Where book values have been supplied to us by you or your agent we cannot guarantee their accuracy. Where we have not been provided with original book values a nominal sum may be inserted. This will not affect the current valuation.

Where assets are transferred into CGWL and the currency of an asset differs from the reference currency of the portfolio and we have been provided with book values in the asset currency only, the book value in reference currency will be calculated using the prevailing exchange rate at the date of transfer. If we are provided with book values in reference currency only, the book values in asset currency will be provided using the prevailing exchange rate at the date of transfer.

Custody

Investments should be considered to be held in custody of CGWL unless detailed otherwise. Accounts detailed as Ex Custody in the Portfolio analysis section are not held in CGWL's custody. Assets not held in custody by CGWL will be annotated with the following marker: *.

11. Basis of report

Performance

Performance is calculated on a total return basis using the time weighted rate of return. Both income returns and external cash flows, to and from, the portfolio are considered.

Some unsettled transactions and positions may be included within the report. Because these transactions may not have completed they may be subject to change.

For Advisory Stockbroking and Execution Only clients, performance data is provided for information purposes only and should not be construed as conferring any responsibility on CGWL in respect of the management or performance of the portfolio as a whole.

FTSE indices

Benchmark performance source is FTSE International Limited (FTSE). FTSE is a trade mark of the London Stock Exchange Group companies and is used by FTSE International Limited under licence. All rights in the FTSE indices and/or FTSE ratings vest in FTSE and/or its licensors. Neither FTSE nor its licensors accept any liability for any errors or omissions in the FTSE indices and/or FTSE ratings or underlying data. No further distribution of FTSE Data is permitted without FTSE's express written consent.

Market commentary

The market commentary is for information only. It is not intended to be, nor should it be construed as investment advice or a financial promotion.

Errors and omissions excepted

Please check the holdings shown in this valuation and inform us of any discrepancies. We cannot accept liability for errors arising on securities which are not held in our custody.

Authorisation and regulation

Canaccord Genuity Wealth Management (CGWM) is the trading name of Canaccord Genuity Wealth (International) Limited (CGWIL), Canaccord Genuity Wealth Limited (CGWL), and Canaccord Genuity Wealth Planning Limited (CGWPL). They are all subsidiaries of Canaccord Genuity Group Inc.

CGWL, and CGWPL are authorised and regulated by the Financial Conduct Authority (registered numbers 141831, 154608, 194927, 184658 and 594155).

CGWL, and CGWPL have their registered office at 88 Woodstreet, London, EC2V 7QR.

CGWL, and CGWPL are registered in England & Wales no. 02762351, 03739694, 03489824 and 08284862.

CGWIL is licensed and regulated by the Guernsey Financial Services Commission, the Isle of Man Financial Services Authority and the Jersey Financial Services Commission. CGWIL is registered in Guernsey no. 22761 and has its registered office at Trafalgar Court, Admiral Park, St. Peter Port, GY1 2JA.

FX rates

13.9365 GBP/NOK | 1.3123 GBP/USD

Contacting us



Mike Davies
Investment Director
+44 (0) 1905 953 637
mike.davies@canaccord.com

We're committed to delivering excellent service and achieving good outcomes for all our clients. If you have any questions about your report, need additional support to help you engage with us or our services, or want to discuss anything, we'd be delighted to hear from you. You can get in touch by telephone or email – whichever suits you best.

9TH FLOOR

88 WOOD STREET
LONDON
UNITED KINGDOM EC2V 7QR

General enquiries

T +44 (0) 20 7523 4501

Reference: 2415346

How can we help?

If you have any questions about your portfolio report, please get in touch with your Investment Manager who will be happy to help or call **+44 20 7523 4500**.

Offices nationwide

Birmingham	Blackpool	Guildford
Lancaster	Llandudno	London
Newcastle	Norwich	Southampton
Worcester	York	

Offices in the Crown Dependencies

Guernsey +44 1481 733 900	Isle of Man +44 1624 690 100	Jersey +44 1534 708 090
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cg/
**Canaccord
Genuity**
Wealth Management

Agenda Item 4.0

Notes on Financial Projection for 2024/25 Council Meeting 10 September 2024

Projection notes

The biggest area of concern is registrations as year to date we are significantly down on last year which has a huge impact on our revenue. It is to be seen if this is a trend or a one off but we certainly need to be very aware of the impact this has.

For the projection 2024/2025 we have budgeted a reduction in registrations of circa 500!

Due to rising costs in all areas it does mean we have very little room for any over spend.

Significant expenditure

The significant spend has been on legal fees as you can see for the financial year 2023/2024.

Fenton/Hall	6991.5
Employment Advice	77021.9
Yolsam Strategy	2500
Croner	4058.44
Cultura Connect (Naomis recruitment)	7200
Greaves Brewster - Trademark	4736
TA Matthews	3274.16
	105782

From: [Beverley Turner](#)
To: [Paul Sneyd](#)
Subject: Debtors at end of August
Date: 31 August 2024 08:22:13

30 days	13,856.36
60 days	37,810.40
90 days	5,049.74
120 days	17,705.72

Bev

Current Report for Council Meeting 10th September 2024

	<u>Calves Registered</u>	<u>Calves Notified</u>	<u>Total</u>
Jul-24	544	21	565
Jul-23	535	28	563

Transfers

	<u>Bulls</u>	<u>Females</u>	
Jul-24	31	53	84
Jul-23	53	89	142

Scanning Incentive Payments

Jul-24	0
Jul-23	61 (£305)

Superior Carcase Sire Payments

Jul-24	32 (£160)
Jul-23	31 (£155)

The Hereford Cattle Society

Sales 01/07/2023 to 11/07/2024

Qty	Stock	Proceeds	Trade Date	Settlement Date	Book Cost
900	CANADIAN GENERAL INVESTMENTS COM NPV	£ 19,152.87	18.09.2023	20.09.2023	-£ 9,615.67
875	HERALD INVESTMENT TRUST ORD GBP0.25	£ 15,242.38	18.09.2023	20.09.2023	-£ 6,543.34
2,500.00	CLOSE BROS GROUP PLC ORD GBP0.25	£ 20,877.53	18.09.2023	20.09.2023	-£ 29,769.47
20,000.00	DUKE CAPITAL LIMITED ORD NPV	£ 6,453.00	18.09.2023	20.09.2023	-£ 7,049.00
2,750.00	OCEAN WILSONS HOLDINGS LTD ORD GBP0.20	£ 26,072.67	10.11.2023	14.11.2023	-£ 20,888.50
19,000.00	INVESTMENT FUND SERVICES LTD (IFSL) IFSL CH HOUSE INVESTMENT GRD I	£ 19,934.82	12.02.2024	16.02.2024	-£ 19,886.08
11,004.00	HENDERSON HIGH INCOME TRUST ORD GBP0.05	£ 16,895.19	09.02.2024	13.02.2024	-£ 24,234.72
3,282.00	NB GLOBAL MONTHLY INC FD LTD RED ORD SHS NPV	£ 2,141.20	09.02.2024	13.02.2024	-£ 2,448.85
24,000.00	ECORA RESOURCES PLC ORD GBP0.02	£ 19,631.85	09.02.2024	13.02.2024	-£ 30,968.66
5,500.00	ZOTEFOAMS ORD GBP0.05	£ 20,500.10	09.02.2024	13.02.2024	-£ 17,910.43
23,148.00	DIGITAL 9 INFRASTRUCTURE PLC ORD NPV	£ 3,895.10	09.02.2024	13.02.2024	-£ 25,129.84
6,350.00	PZ CUSSONS ORD GBP0.01	£ 6,136.89	09.02.2024	13.02.2024	-£ 13,092.63
900	NATIONAL GRID ORD GBP0.12431289	£ 9,219.00	23.05.2024	28.05.2024	-£ 7,933.01
340	SHELL PLC ORD EURO0.07	£ 9,289.20	23.05.2024	28.05.2024	-£ 8,330.61

Sales 01/07/2024 to 30/08/2024

Qty	Stock	Debit/Cost	Trade Date	Settlement Date
875.00	EQUINOR ASA NOK2.50 (288.2 NOK)	£ 17,525.64	29.07.24	31.07.24
2,200.00	BLACKROCK WORLD MINING TRUST PLC ORD GBP0.05 (5.5781 GBP)	£ 12,165.74	29.07.24	31.07.24
450.00	HERALD INVESTMENT TRUST ORD GBP0.25 (22.2378 GBP)	£ 9,901.00	29.07.24	31.07.24
1,254.00	NATIONAL GRID ORD GBP0.12431289 (9.826 GBP)	£ 12,215.80	29.07.24	31.07.24
1,886.00	TATE & LYLE ORD 29 1/6P (6.5622 GBP)	£ 12,270.31	29.07.24	31.07.24

Profit/ Loss	
£	9,537.20
£	8,699.04
-£	8,891.94
-£	596.00
£	5,184.17
£	48.74
-£	7,339.53
-£	307.65
-£	11,336.81
£	2,589.67
-£	21,234.74
-£	6,955.74
£	1,285.99
£	958.59

Analysis of animals tested for hypotrichosis

BULLS	30th August to 30th October 2023	30st October 2023 to 29th January 2024	30th January to 23rd April 2024	24th April to 30th August 2024	Total to Date
Hypotrichosis Tested	22	67	62	88	5,722
Hypotrichosis Free	21	63	56	77	5,262
Hypotrichosis Carriers	1	4	6	11	460
	4.55%	5.97%	9.68%	12.50%	8.04%
FEMALES					
Hypotrichosis Tested	157	288	317	562	9,433
Hypotrichosis Free	147	269	297	511	8,614
Hypotrichosis Carriers	10	19	20	50	814
Hypotrichosis Affected	0	0	0	1	5
	6.37%	6.60%	6.31%	8.90%	8.63%
ALL ANIMALS					
Hypotrichosis Tested	179	355	379	650	15,155
Hypotrichosis Free	168	332	353	588	13,876
Hypotrichosis Carriers	11	23	26	61	1,274
Hypotrichosis Affected	0	0	0	1	5
	6.15%	6.48%	6.86%	9.38%	8.41%

An affected animal will present with the Hypotrichosis condition.

All the offspring produced from an Affected animal will be at least Carriers for the Hypotrichosis gene.

N.B. Since testing commenced five animals found to be carriers of dilutor and no incidences of idiopathic epilepsy.

The only animals being tested for idiopathic epilepsy and dilutor are imports, exports, embryo transplants and A.I. bulls.

REGISTERED COMPANY NUMBER: 00012100 (England and Wales)

REGISTERED CHARITY NUMBER: 217428

Report of the Trustees and Financial

Statements

for the Year Ended 30 June 2024 for

The Hereford Cattle Society

Thorne Widgery Accountancy Ltd
Chartered Accountants Statutory
Auditors
2 Wyevale Business Park
Kings Acre Hereford
Herefordshire HR4
7BS

The Hereford Cattle Society

Contents of the Financial Statements for
the Year Ended 30 June 2024

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Balance Sheet	11 to 12
Cash Flow Statement	13
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Detailed Statement of Financial Activities	27 to 28

The Hereford Cattle Society

Report of the Trustees for the Year Ended 30 June 2024

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 30 June 2024. 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 2019).

OBJECTIVES AND ACTIVITIES

Objectives and aims

The Society is established to maintain unimpaired the purity of, and improve the breed of, cattle known as Herefords and to promote impartially the breeding of all the various tribes, families and strains of such cattle.

The Society's promotional activities during the year have been aimed at developing the market for pedigree and commercial Hereford cattle and building increased awareness of the Hereford beef brand to consumers.

To achieve its objectives, the Society has participated in numerous promotional events throughout the country.

The Society this year has adopted linear scoring which provides an independent assessment of cows in your herd reviewing strengths and weaknesses to enhance longevity, health & welfare.

The Society's plans for the future are to continue the promotion and expansion of the breed both domestically and internationally.

Public benefit

The trustees consider that they have complied with the duty in section 4 of the Charities Act 2011, in having due regard to public benefit.

In this regard, the Society implements Breed Improvement Schemes to facilitate the economic and efficient production of beef, constantly taking into consideration eco friendly systems of extensive food production using, whenever and wherever possible, natural resources.

The Hereford is a Breed renowned internationally for its ability to utilise natural grazing areas of the World to produce high quality beef economically. The Society will continue to promote this aspect of the Breed so as to increase its use with the aim of assisting the farming industry to meet the extremely challenging financial constraints put upon them in the current period of austerity.

The Hereford Cattle Society

Report of the Trustees for the Year Ended 30 June 2024

STRATEGIC REPORT

Achievement and performance

Having served on council for many years the challenges remain, and I feel the next 5 - 10 years will probably see the biggest changes in Agriculture that we have ever seen particularly in the beef industry. This year we have seen registrations decrease which is not just unique to us as a breed but also across other breeds.

In the last financial year costs have increased dramatically and, at the same time, our income has reduced, this inevitably makes for some tough decisions ahead. The council are very aware of how tight money is for members with no fees having been increased.

During the last financial year, we have continued to deliver on our core objectives, but it is disappointing to have to report on our expenditure for legal fees due to circumstances out of our control and leading to the Society making a loss.

The Council

As Chairman of council, I wish to express my sincere thanks to all council members for their support and dedication, none more so than your President Allen Massey. Council members as trustees of the Society freely give up their time and energy for the benefit of all members. We continue to have just under 1400 members with around 911 of those being active Hereford Pedigree breeders. In 2023 we also saw Hereford x sired progeny increase by 6% where other breeds particularly some of the continentals have seen a decrease. I wrote to you in July to inform you that a resolution had been passed by the board of Directors on 27 June 2024. The legal fees in doing this and which were out of the society's control were £77,000 meaning our total legal fees for the last financial year when taking other matters into account totalled £101,474.

It is customary for the Chairman to thank staff on behalf of the membership as we complete another 12 months of activities and a special thanks to our staff, Paul, Beverley, Tracey and Naomi for ensuring the smooth running of the society.

Financial Report

The income from Charitable activities was £578,424 compared with £614,681 (30.6.23) of which all is incoming resources of unrestricted funds. As has already been mentioned we have seen a huge increase in legal fees from £29,704 to £101,474 which has made the year extremely challenging. The legal fees for the resolution that was passed on the 27th June 2024 have been covered from the society's investment fund.

Overall, our revenues are down by £36,162 with the largest drop being the registration income of £20,000.

Some areas such as rates, water and electricity year on year have risen significantly which has also made the financial year challenging.

We have made savings in regard to shows and breed promotion circa £20k by doing things slightly differently but having not dropped any of our commitments from the plan.

It is also worth noting that our balance sheet remains strong allowing the society to continue to support the membership where possible in terms of costs.

With all these challenges we kept members fees and all other society fees unchanged meaning we have continued to support member services by circa £40,000.

Financial review

Investment policy and objectives

Council uses its investment advisors to meet its requirements, which is to generate income. This has been achieved with a mix of equity and fixed return investments. Council is satisfied with the returns achieved given current market conditions.

The Hereford Cattle Society

Report of the Trustees for the Year Ended 30 June 2024

STRATEGIC REPORT

Financial review

Reserves policy

It is the policy of the charity to maintain unrestricted funds at a level, which equate to approximately 12 months unrestricted expenditure. The trustees consider that the ideal level of reserves as at 30 June 2024 would be £500,000. This provides sufficient funds to cover management and administration and support costs. Unrestricted funds are maintained at least at this level throughout the year, months unrestricted.

The financial results for the charity are as detailed in the statement of financial activity on page 11 and the balance sheet on page 12. The charity total assets of £1,528,025 (2023 - £1,587,403). All funds are unrestricted with the exception of £2,905 restricted for UKHY. But all other funds are available for the general purposes of the society.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is controlled by its governing document, a deed of trust, and constitutes a limited company, limited by guarantee, as defined by the Companies Act 2006.

The Society is a company limited by guarantee and not having a share capital. As such it is governed by its Memorandum and Articles of Association. It was incorporated on 5 March 1878. It is registered as a charity with the Charity Commission.

Appointment & Training of Council Members

A Council of 16 members is elected by the general membership at 4 yearly intervals and meet with the Director of Operations regularly. The Council make all policy decisions. The Director of Operations is responsible for carrying out these policies and for all office administration procedures.

Council Members must, at the time of their election, be actual breeders of Hereford Cattle (as defined in the Memorandum and Articles) and are elected on an area basis.

As and when new Council Members (Trustees) are elected, they are provided with all appropriate guidelines for the trusteeship. They are made aware of their legal obligations under charity and company law, and the Charity Commission guidance on public benefit. They are informed of the content of the Memorandum and Articles of Association, decision-making processes and the recent financial performance of the Society.

None of the Council Members receive remuneration or other benefit from their work with the Society.

Pay Policy for Senior Staff

The pay of all staff is reviewed annually and normally increased in accordance with average earnings. All pay awards are approved at Council meetings.

Risk Management

The Council Members actively review the major risks, which the charity faces on a regular basis and believe that maintaining reserves at current levels, combined with an annual review of the controls over key financial systems, will provide sufficient resources in the event of adverse conditions.

The Council Members have also examined other operational and business risks faced by the charity and confirm that they have established systems to mitigate the significant risks.

REFERENCE AND ADMINISTRATIVE DETAILS

Registered Company number

00012100 (England and Wales)

Registered Charity number

217428

Registered office

Hereford House
3 Offa Street
Hereford
HR1 2LL

The Hereford Cattle Society

Report of the Trustees for the Year Ended 30 June 2024

Trustees

Council Members

The Council members during the year were:

Mr P J Allman (Chairman)

Mr M J Clark - resigned 31.12.23 Mrs J

Cooper

Mrs S Cowle

Mr J Graham - resolution passed 27.06.24 by council and no longer a member Mr G

Harvey

Mr J Hodge - resigned 31.12.23

Mr M Jenkins (Vice Chairman) Mr

A Jones - resigned 31.12.23

Mrs A Kerslake - resigned 31.12.23 Mr

D Makin - elected 01.01.24

Mr A J Massey

Mr C Roberts - resigned 31.12.23

Mr M Shaw

Mr D Smyth - resolution passed 27.06.24 by council and no longer a member Miss E N

Thorne

Mr G Wood - resigned 31.12.23

President

Mr A J Massey

The president is elected annually by Council and is a Member of Council only for the period in which he/she holds office, unless a Member prior to his/her election.

Vice President

Mr S Edwards

Director of operations

Mr P Sneyd

Key Management

Mr P Sneyd

Miss L Bowyer - Resigned July 2023 Ms

T Thomas

Mrs B Turner

Mrs N Williams-Roberts - Commenced July 2023

Auditors

Thorne Widgery Accountancy Ltd

Chartered Accountants

Statutory Auditors

2 Wyevale Business Park Kings

Acre

Hereford

Herefordshire

HR4 7BS

Solicitors

T A Matthews & Co

First Floor Broadway House 32 -

35 Broad Street Hereford

HR4 9AR

The Hereford Cattle Society

Report of the Trustees
for the Year Ended 30 June 2024

REFERENCE AND ADMINISTRATIVE DETAILS

Bankers

Natwest
12 Broad Street
Hereford
HR4 9AH

Investment Advisors

Canaccord Genuity Wealth Management 41
Lothbury
London
EC2R 7AE

STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of The Hereford Cattle Society for the purposes of company law) are responsible for preparing the Report of the Trustees 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 which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards 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 charitable company 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 charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Thorne Widgery Accountancy Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Report of the trustees, incorporating a strategic report, approved by order of the board of trustees, as the company directors, on and signed on the board's behalf by:

.....
P Allman - Trustee

Report of the Independent Auditors to the Trustees of The Hereford Cattle Society

Opinion

We have audited the financial statements of The Hereford Cattle Society (the 'charitable company') for the year ended 30 June 2024 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, 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 (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2024 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 Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 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.

Other information

The trustees are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Report of the Independent Auditors thereon.

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.

In connection with our audit of the financial statements, 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 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Charities (Accounts and Reports) Regulations 2008 requires us to report to you if, in our opinion:

- the information given in the Report of the Trustees is inconsistent in any material respect with the financial statements;
or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

Report of the Independent Auditors to the Trustees of
The Hereford Cattle Society

Responsibilities of trustees

As explained more fully in the Statement of Trustees' Responsibilities, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Report of the Independent Auditors to the Trustees of The Hereford Cattle Society

Our responsibilities for the audit of the financial statements

We have been appointed as auditors under Section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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 a Report of the Independent Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- o Enquiring of council members, management and inspection of policy documentation as to the Charity's high-level policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- o Reading Council Members' meeting minutes.
- o Considering performance targets for management.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account our overall knowledge of the control environment, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the revenue is non-judgemental and straightforward, with limited opportunity for manipulation.

We did not identify any additional fraud risks. We performed procedures including identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by finance management/ those posted and approved by the same user/ those posted to unusual accounts.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with management (as required by auditing standards) and discussed with management the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Charity is subject to laws and regulations that directly affect the financial statements including financial reporting legislation, taxation legislation, the Charities Act legislation and guidance issued by DEFRA and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Report of the Independent Auditors to the Trustees of
The Hereford Cattle Society

Secondly, the Charity is subject to many other laws and regulations where the consequences of noncompliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Charity's license to operate. We identified the following areas as those most likely to have such an effect: health and safety, anti-bribery, employment law, data protection, anti-money laundering and specific areas of other legislation recognising the nature of the Charity's activities.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of management, inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Independent Auditors.

Use of our report

This report is made solely to the charitable company's trustees, as a body, in accordance with 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 trustees 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 the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

for and on behalf of Thorne Widgery Accountancy Ltd
Chartered Accountants
Statutory Auditors
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006 2
Wyevale Business Park
Kings Acre
Hereford
Herefordshire
HR4 7BS

Date:

The Hereford Cattle Society

Statement of Financial Activities for
the Year Ended 30 June 2024

	Notes	Unrestricted funds £	Restricted fund £	30.6.24 Total funds £	30.6.23 Total funds £
INCOME AND ENDOWMENTS FROM					
Donations and legacies	2	5,000	-	5,000	5,000
Charitable activities					
Furtherance of the breed	4	578,424	-	578,424	614,681
Investment income	3	62,578	-	62,578	64,583
Other income		64,469	-	64,469	62,369
Total		<u>710,471</u>	<u>-</u>	<u>710,471</u>	<u>746,633</u>
EXPENDITURE ON					
Raising funds	5	3,506	-	3,506	3,530
Charitable activities					
Furtherance of the breed	6	783,365	-	783,365	770,248
Total		<u>786,871</u>	<u>-</u>	<u>786,871</u>	<u>773,778</u>
Net gains/(losses) on investments		<u>17,022</u>	<u>-</u>	<u>17,022</u>	<u>(20,951)</u>
NET INCOME/(EXPENDITURE)		<u>(59,378)</u>	<u>-</u>	<u>(59,378)</u>	<u>(48,096)</u>
RECONCILIATION OF FUNDS					
Total funds brought forward		<u>1,584,498</u>	<u>2,905</u>	<u>1,587,403</u>	<u>1,635,499</u>
TOTAL FUNDS CARRIED FORWARD		<u><u>1,525,120</u></u>	<u><u>2,905</u></u>	<u><u>1,528,025</u></u>	<u><u>1,587,403</u></u>

The notes form part of these financial statements

The Hereford Cattle Society

Balance Sheet 30

June 2024

	Notes	Unrestricted funds £	Restricted fund £	30.6.24 Total funds £	30.6.23 Total funds £
FIXED ASSETS					
Tangible assets	14	56,401	-	56,401	58,459
Heritage assets	15	382,050	-	382,050	382,050
Investments					
Investments	16	691,044	-	691,044	641,771
Investment property	17	375,000	-	375,000	375,000
		<u>1,504,495</u>	<u>-</u>	<u>1,504,495</u>	<u>1,457,280</u>
CURRENT ASSETS					
Stocks	18	6,890	-	6,890	6,890
Debtors	19	55,160	-	55,160	69,837
Cash at bank and in hand		24,135	2,905	27,040	104,000
		<u>86,185</u>	<u>2,905</u>	<u>89,090</u>	<u>180,727</u>
CREDITORS					
Amounts falling due within one year	20	(65,560)	-	(65,560)	(50,604)
		<u>20,625</u>	<u>2,905</u>	<u>23,530</u>	<u>130,123</u>
NET CURRENT ASSETS					
		<u>1,525,120</u>	<u>2,905</u>	<u>1,528,025</u>	<u>1,587,403</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>1,525,120</u>	<u>2,905</u>	<u>1,528,025</u>	<u>1,587,403</u>
NET ASSETS					
		<u>1,525,120</u>	<u>2,905</u>	<u>1,528,025</u>	<u>1,587,403</u>
FUNDS					
	21			1,525,120	1,584,498
Unrestricted funds				2,905	2,905
Restricted funds					
TOTAL FUNDS					
				<u>1,528,025</u>	<u>1,587,403</u>

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 30 June 2024.

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements.

The trustees acknowledge their responsibilities for

- (a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the charitable company.

These financial statements have been audited under the requirements of Section 145 of the Charities Act 2011.

The financial statements were approved by the Board of Trustees and authorised for issue onand were signed on its behalf by:

The notes form part of these financial statements

The Hereford Cattle Society

Balance Sheet - continued

30 June 2024

.....
P Allman - Trustee

.....
M Jenkins - Trustee

The Hereford Cattle Society

Cash Flow Statement
for the Year Ended 30 June 2024

	Notes	30.6.24 £	30.6.23 £
Cash flows from operating activities			
Cash generated from operations	1	(76,459)	(116,665)
Net cash used in operating activities		<u>(76,459)</u>	<u>(116,665)</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(813)	-
Purchase of fixed asset investments		(273,498)	(92,887)
Sale of fixed asset investments		241,247	123,291
Dividends received		32,563	34,423
Net cash (used in)/provided by investing activities		<u>(501)</u>	<u>64,827</u>
Change in cash and cash equivalents in the reporting period			
		(76,960)	(51,838)
Cash and cash equivalents at the beginning of the reporting period			
		<u>104,000</u>	<u>155,838</u>
Cash and cash equivalents at the end of the reporting period			
		<u><u>27,040</u></u>	<u><u>104,000</u></u>

The notes form part of these financial statements

The Hereford Cattle Society

Notes to the Cash Flow Statement
for the Year Ended 30 June 2024

1. RECONCILIATION OF NET EXPENDITURE TO NET CASH FLOW FROM OPERATING ACTIVITIES

	30.6.24	30.6.23
	£	£
Net expenditure for the reporting period (as per the Statement of Financial Activities)	(59,378)	(48,096)
Adjustments for:		
Depreciation charges	2,871	3,415
(Gain)/losses on investments	(17,022)	20,951
Dividends received	(32,563)	(34,423)
Decrease/(increase) in debtors	14,677	(7,618)
Increase/(decrease) in creditors	14,956	(50,894)
	<hr/>	<hr/>
Net cash used in operations	(76,459)	(116,665)
	<hr/> <hr/>	<hr/> <hr/>

2. ANALYSIS OF CHANGES IN NET FUNDS

	At 1.7.23	Cash flow	At 30.6.24
	£	£	£
Net cash			
Cash at bank and in hand	104,000	(76,960)	27,040
	<hr/>	<hr/>	<hr/>
	104,000	(76,960)	27,040
	<hr/>	<hr/>	<hr/>
Total	104,000	(76,960)	27,040
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

1. ACCOUNTING POLICIES

Basis of preparing the financial statements

The financial statements of the charitable company, 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 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The 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 note(s).

Going Concern

The trustees assess whether the use of going concern is appropriate i.e. whether there are any material uncertainties related to events or conditions that may cast significant doubt on the ability of the company to continue as a going concern. The trustees make this assessment in respect of a period of at least one year from the date of authorisation for issue of the financial statements and have concluded that the company has adequate resources to continue in operational existence for the foreseeable future and there are no material uncertainties about the company's ability to continue as a going concern, thus they continue to adopt the going concern basis of accounting in preparing the financial statements.

The company has considered the effects of the current economic climate on their financial future and are confident there will be no significant effect on them continuing as a going concern. A 5 year strategic plan has been established to focus on future sustainability.

Income

All income is recognised in the Statement of Financial Activities once 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.

Grants offered subject to conditions which have not been met at the year end date are noted as a commitment but not accrued as expenditure.

Allocation and apportionment of costs

Support costs are those functions that assist the work of the Society but do not directly undertake charitable activities. Support costs include governance costs which support the Society's activities. Support costs are allocated on an appropriate basis according to activity.

Intangible fixed assets

Intangible fixed assets are amortised evenly over their estimated useful lives. Trade Mark -
5 years
Breedplan - 3 years

Tangible fixed assets

Tangible fixed assets are stated at cost or valuation. Items are capitalised where the acquisition cost exceeds £1,000.

1. **ACCOUNTING POLICIES - continued**

Tangible fixed assets

Depreciation is provided on all tangible fixed assets, except those described below, at rates calculated to write off the cost, less residual value, of each asset over its expected useful life, as follows:

Motor vehicles - 25% reducing balance

Office equipment - 25% / 20% / 10% reducing balance, 20% straight line

The Council carries out a continual programme of repairs and maintenance to its freehold buildings, the cost of which is charged to the statement of financial activities. In the opinion of Council, the useful economic life of the freehold buildings is in excess of 50 years, and the programme of repairs and maintenance holds their residual value at a level that a depreciation charge would not be material.

Heritage assets

Heritage assets include oil paintings and pictures. These are stated at valuation. No depreciation is provided in respect of oil paintings and pictures as, in the opinion of Council, their value increases over time and a depreciation charge would therefore not be appropriate.

Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in the Statement of Financial Activities.

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation

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

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees.

Restricted funds can only be used for particular restricted purposes within the objects of the charity. Restrictions arise when specified by the donor or when funds are raised for particular restricted purposes.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

Pension costs and other post-retirement benefits

The charitable company operates a defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the Statement of Financial Activities in the period to which they relate.

Donated goods

Donated goods are recognised as income when the charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use by the charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102).

Interest receivable

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

Debtors

Trade and other debtors are recognised at the settlement amount due. Prepayments are valued at the amount prepaid.

Creditors and provisions

Notes to the Financial Statements - continued
for the Year Ended 30 June 2024

1. ACCOUNTING POLICIES - continued

Creditors and provisions are recognised where the charity has a present obligation resulting from a past event that will probably result in a transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably.

Investment policy

Council uses its investment advisors to meet its requirements, which is to generate income. This has been achieved with a mix of equity and fixed return investments. Council is satisfied with the returns achieved given current market conditions.

Financial instruments

The Society 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.

Preparation of the accounts on a going concern basis

There are no material uncertainties about the Society's ability to continue. All of the Society's ability to continue. All of the Society's activities over the last 10 to 15 years have been on an upward trend and there is no indication that this will not continue. On this basis the Society is considered to be a going concern.

2. DONATIONS AND LEGACIES

	30.6.24	30.6.23
	£	£
Donations	5,000	5,000
	<u>5,000</u>	<u>5,000</u>

The income from donations and legacies was £5,000 (2023: £5,000) of which £5,000 was unrestricted (2023: £5,000).

3. INVESTMENT INCOME

	30.6.24	30.6.23
	£	£
Rents received	30,015	30,160
Dividends	32,563	34,423
	<u>62,578</u>	<u>64,583</u>

4. INCOME FROM CHARITABLE ACTIVITIES

	Activity	30.6.24	30.6.23
		£	£
Membership income	Furtherance of the breed	104,403	110,614
Gift aid	Furtherance of the breed	18,403	18,743
Registration fees	Furtherance of the breed	222,923	242,083
Transfer fees	Furtherance of the breed	36,480	35,116
Beef scheme levies	Furtherance of the breed	27,720	24,596
Export fees	Furtherance of the breed	900	904
Sales and commissions	Furtherance of the breed	58,896	68,015
DNA testing	Furtherance of the breed	103,349	110,093
Herd prefix	Furtherance of the breed	5,350	4,517
		<u>578,424</u>	<u>614,681</u>

The income from charitable activities was £578,424 (2023: £614,681) of which all is incoming resources of unrestricted funds. £27,720 of Beef Scheme Levies was designated fund - breed improvement (2023: £24,596). The remainder being general fund within unrestricted funds.

Notes to the Financial Statements - continued
for the Year Ended 30 June 2024

5. RAISING FUNDS

Investment management costs

	30.6.24	30.6.23
	£	£
Portfolio management	3,506	3,530
	<u>3,506</u>	<u>3,530</u>

6. CHARITABLE ACTIVITIES COSTS

	Direct Costs £	Grant funding of activities (see note 7) £	Support costs (see note 8) £	Totals £
Furtherance of the breed	667,421	3,250	112,694	783,365
	<u>667,421</u>	<u>3,250</u>	<u>112,694</u>	<u>783,365</u>

7. GRANTS PAYABLE

	30.6.24	30.6.23
	£	£
Furtherance of the breed	3,250	4,059
	<u>3,250</u>	<u>4,059</u>

The total grants paid to institutions during the year was as follows:

	30.6.24	30.6.23
	£	£
Area Association Grant	3,250	4,059
	<u>3,250</u>	<u>4,059</u>

8. SUPPORT COSTS

	Finance £	Governance costs £	Totals £
Furtherance of the breed	1,900	110,794	112,694
	<u>1,900</u>	<u>110,794</u>	<u>112,694</u>

9. NET INCOME/(EXPENDITURE)

Net income/(expenditure) is stated after charging/(crediting):

	30.6.24	30.6.23
	£	£
Auditors' remuneration	5,292	4,803
Depreciation - owned assets	2,871	3,415
	<u>5,292</u>	<u>4,803</u>
	<u>2,871</u>	<u>3,415</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2024

10. TRUSTEES' REMUNERATION AND BENEFITS

There were no trustees' remuneration or other benefits for the year ended 30 June 2024 nor for the year ended 30 June 2023.

Trustees' expenses Council

Members Expenses

Expenses totalling £4,536.47 have been reimbursed to 7 Council Members for travel expenses (2023: £4,389.67 to 9 members).

11. STAFF COSTS

	30.6.24	30.6.23
	£	£
Wages and salaries	201,710	196,000
Social security costs	17,711	17,638
Other pension costs	3,659	3,886
	<u>223,080</u>	<u>217,524</u>

The average monthly number of employees during the year was as follows:

	30.6.24	30.6.23
Administration	<u>4</u>	<u>4</u>

The key management personnel of the charity are listed under reference and administrative details. The total employee benefits that were received by the key management personnel in the year were £223,080 (2023: £217,524). The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 banded £90,000 - £100,000 was 1 (2023: banded £80,000-£90,000 was 1).

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES

	Unrestricted funds £	Restricted fund £	Total funds £
INCOME AND ENDOWMENTS FROM			
Donations and legacies	5,000	-	5,000
Charitable activities			
Furtherance of the breed	614,681	-	614,681
Investment income	64,583	-	64,583
Other income	62,369	-	62,369
Total	<u>746,633</u>	<u>-</u>	<u>746,633</u>
EXPENDITURE ON			
Raising funds	3,530	-	3,530
Charitable activities			
Furtherance of the breed	770,248	-	770,248
Total	<u>773,778</u>	<u>-</u>	<u>773,778</u>
Net gains/(losses) on investments	<u>(20,951)</u>	<u>-</u>	<u>(20,951)</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2024

12. COMPARATIVES FOR THE STATEMENT OF FINANCIAL ACTIVITIES - continued

	Unrestricted funds £	Restricted fund £	Total funds £
NET INCOME/(EXPENDITURE)	(48,096)	-	(48,096)
RECONCILIATION OF FUNDS			
Total funds brought forward	1,632,594	2,905	1,635,499
TOTAL FUNDS CARRIED FORWARD	<u>1,584,498</u>	<u>2,905</u>	<u>1,587,403</u>

13. INTANGIBLE FIXED ASSETS

	Certified trade mark £	Breedplan setting up costs £	Totals £
COST			
At 1 July 2023 and 30 June 2024	<u>3,966</u>	<u>25,480</u>	<u>29,446</u>
AMORTISATION			
At 1 July 2023 and 30 June 2024	<u>3,966</u>	<u>25,480</u>	<u>29,446</u>
NET BOOK VALUE			
At 30 June 2024	<u>-</u>	<u>-</u>	<u>-</u>
At 30 June 2023	<u>-</u>	<u>-</u>	<u>-</u>

14. TANGIBLE FIXED ASSETS

	Freehold property £	Motor vehicles £	Office equipment £	Totals £
COST				
At 1 July 2023	46,645	20,798	156,398	223,841
Additions	-	-	813	813
At 30 June 2024	<u>46,645</u>	<u>20,798</u>	<u>157,211</u>	<u>224,654</u>
DEPRECIATION				
At 1 July 2023	-	18,022	147,360	165,382
Charge for year	-	694	2,177	2,871
At 30 June 2024	<u>-</u>	<u>18,716</u>	<u>149,537</u>	<u>168,253</u>
NET BOOK VALUE				
At 30 June 2024	<u>46,645</u>	<u>2,082</u>	<u>7,674</u>	<u>56,401</u>
At 30 June 2023	<u>46,645</u>	<u>2,776</u>	<u>9,038</u>	<u>58,459</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2024

15. HERITAGE ASSETS

	Total £
MARKET VALUE	
At 1 July 2023 and 30 June 2024	382,050
NET BOOK VALUE	
At 30 June 2024	382,050
At 30 June 2023	382,050

Revaluation

During December 2019 a revaluation of the Heritage Assets was performed by Brightwells Auctioneers and Valuers, Leominster. The result of the revaluation is reflected in these financial statements. A revaluation will be obtained in the 24/25 financial year.

16. FIXED ASSET INVESTMENTS

	Listed investments £
MARKET VALUE	
At 1 July 2023	641,771
Additions	233,297
Disposals	(224,225)
Revaluations	40,201
At 30 June 2024	691,044
NET BOOK VALUE	
At 30 June 2024	691,044
At 30 June 2023	641,771

There were no investment assets outside the UK.

Cost or valuation at 30 June 2024 is represented by:

	Listed investments £
Valuation in 2024	691,044

Notes to the Financial Statements - continued
for the Year Ended 30 June 2024

17. INVESTMENT PROPERTY

	£
FAIR VALUE	
At 1 July 2023	
and 30 June 2024	375,000
	<u>375,000</u>
NET BOOK VALUE	
At 30 June 2024	375,000
	<u>375,000</u>
At 30 June 2023	<u>375,000</u>
	<u>375,000</u>
Fair value at 30 June 2024 is represented by:	
	£
Valuation in 2024	<u>375,000</u>

Investment Property relates to the car park located on East Street in Hereford. The most recent valuation was completed 23/03/2022 by Sunderlands.

18. STOCKS

	30.6.24	30.6.23
	£	£
Stocks	6,890	6,890
	<u>6,890</u>	<u>6,890</u>

19. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.24	30.6.23
	£	£
Trade debtors	41,157	56,474
Prepayments and accrued income	14,003	13,363
	<u>55,160</u>	<u>69,837</u>

20. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.24	30.6.23
	£	£
Trade creditors	59,639	26,458
VAT	2,555	11,171
Other creditors	583	731
Accruals and deferred income	2,783	12,244
	<u>65,560</u>	<u>50,604</u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2024

21. MOVEMENT IN FUNDS

	At 1.7.23 £	Net movement in funds £	At 30.6.24 £
Unrestricted funds			
General fund	1,284,926	(84,217)	1,200,709
Designated fund - Breed Improvement	299,572	24,839	324,411
	<u>1,584,498</u>	<u>(59,378)</u>	<u>1,525,120</u>
Restricted funds			
Restricted fund	2,905	-	2,905
	<u>2,905</u>	<u>-</u>	<u>2,905</u>
TOTAL FUNDS	<u><u>1,587,403</u></u>	<u><u>(59,378)</u></u>	<u><u>1,528,025</u></u>

Net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	682,751	(783,990)	17,022	(84,217)
Designated fund - Breed Improvement	27,720	(2,881)	-	24,839
	<u>710,471</u>	<u>(786,871)</u>	<u>17,022</u>	<u>(59,378)</u>
TOTAL FUNDS	<u><u>710,471</u></u>	<u><u>(786,871)</u></u>	<u><u>17,022</u></u>	<u><u>(59,378)</u></u>

Comparatives for movement in funds

	At 1.7.22 £	Net movement in funds £	At 30.6.23 £
Unrestricted funds			
General fund	1,319,604	(34,678)	1,284,926
Designated fund - Breed Improvement	312,990	(13,418)	299,572
	<u>1,632,594</u>	<u>(48,096)</u>	<u>1,584,498</u>
Restricted funds			
Restricted fund	2,905	-	2,905
	<u>2,905</u>	<u>-</u>	<u>2,905</u>
TOTAL FUNDS	<u><u>1,635,499</u></u>	<u><u>(48,096)</u></u>	<u><u>1,587,403</u></u>

Notes to the Financial Statements - continued
for the Year Ended 30 June 2024

21. MOVEMENT IN FUNDS - continued

Comparative net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	722,037	(735,764)	(20,951)	(34,678)
Designated fund - Breed Improvement	24,596	(38,014)	-	(13,418)
	<u>746,633</u>	<u>(773,778)</u>	<u>(20,951)</u>	<u>(48,096)</u>
TOTAL FUNDS	<u>746,633</u>	<u>(773,778)</u>	<u>(20,951)</u>	<u>(48,096)</u>

A current year 12 months and prior year 12 months combined position is as follows:

	At 1.7.22 £	Net movement in funds £	At 30.6.24 £
Unrestricted funds			
General fund	1,319,604	(118,895)	1,200,709
Designated fund - Breed Improvement	312,990	11,421	324,411
	<u>1,632,594</u>	<u>(107,474)</u>	<u>1,525,120</u>
Restricted funds			
Restricted fund	2,905	-	2,905
	<u>2,905</u>	<u>-</u>	<u>2,905</u>
TOTAL FUNDS	<u>1,635,499</u>	<u>(107,474)</u>	<u>1,528,025</u>

A current year 12 months and prior year 12 months combined net movement in funds, included in the above are as follows:

	Incoming resources £	Resources expended £	Gains and losses £	Movement in funds £
Unrestricted funds				
General fund	1,404,788	(1,519,754)	(3,929)	(118,895)
Designated fund - Breed Improvement	52,316	(40,895)	-	11,421
	<u>1,457,104</u>	<u>(1,560,649)</u>	<u>(3,929)</u>	<u>(107,474)</u>
TOTAL FUNDS	<u>1,457,104</u>	<u>(1,560,649)</u>	<u>(3,929)</u>	<u>(107,474)</u>

Revaluation Fund

The revaluation fund is required by the Companies Act 2006 and represents the following:

£228,450 - the amount by which fixed assets stated at a valuation exceed their historical cost.

£373,100 - the amount by which investment property valuation exceeded its historical cost. These are included within General fund.

Designated fund - Breed Improvement

This designated fund represents income received from beef scheme levies which is used for the promotion of schemes which aim to improve the breed.

Restricted Fund

Notes to the Financial Statements - continued
for the Year Ended 30 June 2024

21. MOVEMENT IN FUNDS - continued

UKHY Bursary Received in YE 30.06.2020 to be spent in financial year 24/25.

22. CONTINGENT LIABILITIES

There is currently a potential claim against the Society by two Society members who have instructed solicitors. At present no Court claim has been issued and we do not know the legal position of the claim or any potential liability that may arise.

23. RELATED PARTY DISCLOSURES

There were no related party transactions for the year ended 30 June 2024 (or year ended 30 June 2023).

24. GUARANTEE

The Society is a company limited by guarantee and has no share capital. Members of the Society guarantee to contribute an amount not exceeding £5 to the assets of the Society in the event of a winding up in the time that they are members, or within one year of ceasing to be a member. The total number of such guarantees at 30 June 2024 was 1,374 (2023: 1,357)

25. MEMBERSHIP

	Number of Members 2024	Number of Members 2023
Northern Ireland	140	145
Scotland	75	73
Wales	247	249
North of England	209	202
South of England	103	106
South West of England	161	157
Midlands and East Anglia	176	154
West Midlands	243	251
Overseas	20	20
	1,374	1,357

NUMBER OF NEW MEMBERS ELECTED

2014/2015	133 Members
2015/2016	135 Members
2016/2017	102 Members
2017/2018	118 Members
2018/2019	89 Members
2019/2020	113 Members
2020/2021	107 Members
2021/2022	104 Members
2022/2023	74 Members
2023/2024	78 Members

Notes to the Financial Statements - continued
for the Year Ended 30 June 2024

26. DETAILED PROFIT AND LOSS ACCOUNT

	2024	2023
	£	£
Turnover	578,424	614,681
Administrative Expenses	(786,871)	(773,778)
Other Operating Income	99,484	97,529
	<hr/>	<hr/>
Operating (Loss)/Profit	(108,963)	(61,568)
Investment Income	32,563	34,423
	<hr/>	<hr/>
Profit on Ordinary Activities Before Taxation	(76,400)	(27,145)
Profit on Disposal of Investments	(23,179)	1,658
	<hr/>	<hr/>
Trading Profit for the Financial Year	(99,579)	(25,487)
	<hr/> <hr/>	<hr/> <hr/>

RECONCILIATION OF PROFIT AND LOSS ACCOUNT TO STATEMENT OF FINANCIAL ACTIVITIES

	2024	2023
	£	£
Trading Profit for the Financial Year	(99,579)	(25,487)
Profit (Loss) on revaluation of investment property	-	-
Profit (Loss) on revaluation of listed investments	40,201	(22,609)
	<hr/>	<hr/>
Net Movement in Funds	(59,378)	(48,096)
	<hr/> <hr/>	<hr/> <hr/>

The Hereford Cattle Society

Detailed Statement of Financial Activities
for the Year Ended 30 June 2024

	30.6.24	30.6.23
	£	£
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations	5,000	5,000
Investment income		
Rents received	30,015	30,160
Dividends	32,563	34,423
	<hr/>	<hr/>
	62,578	64,583
Charitable activities		
Membership income	104,403	110,614
Gift aid	18,403	18,743
Registration fees	222,923	242,083
Transfer fees	36,480	35,116
Beef scheme levies	27,720	24,596
Export fees	900	904
Sales and commissions	58,896	68,015
DNA testing	103,349	110,093
Herd prefix	5,350	4,517
	<hr/>	<hr/>
	578,424	614,681
Other income		
Rental income	64,469	62,369
	<hr/>	<hr/>
Total incoming resources	710,471	746,633
EXPENDITURE		
Investment management costs		
Portfolio management	3,506	3,530
Charitable activities		
Wages	201,710	196,000
Social security	17,711	17,638
Pensions	3,659	3,886
Rates and water	11,267	6,475
Premises & Health Insurance	8,892	8,050
Light and heat	33,387	24,699
Telephone	2,716	3,586
Postage and stationery	19,411	19,076
Shows & Breed Promotion	177,208	197,898
Sundries	11,485	4,229
Cleaning	11,568	11,222
Vehicle expenses	3,468	2,877
Travelling expenses	22,972	16,538
DNA testing	80,710	111,226
Repairs and maintenance	24,429	19,074
Carried forward	630,593	642,474

This page does not form part of the statutory financial statements

The Hereford Cattle Society

Detailed Statement of Financial Activities
for the Year Ended 30 June 2024

	30.6.24	30.6.23
	£	£
Charitable activities		
Brought forward	630,593	642,474
Breed improvement scheme	2,881	3,014
Breedplan costs	16,521	17,628
Subscriptions	1,412	1,854
Transfer of beef scheme levies to N.I.	-	35,000
Transfer of semen	13,143	15,393
Donations	-	7,222
Depreciation of tangible fixed assets	2,871	3,415
Grants to institutions	3,250	4,059
	<hr/>	<hr/>
	670,671	730,059
Support costs		
Finance		
Bank charges	1,900	1,967
Governance costs		
Auditors' remuneration	5,292	4,803
Accountancy fees	4,028	3,715
Legal fees	101,474	29,704
	<hr/>	<hr/>
	110,794	38,222
Total resources expended	<hr/>	<hr/>
	786,871	773,778
Net expenditure before gains and losses	(76,400)	(27,145)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments	17,022	(20,951)
	<hr/>	<hr/>
Net expenditure	<hr/> <hr/>	<hr/> <hr/>
	(59,378)	(48,096)

The Hereford Cattle Society

Balance Sheet

30 June 2024

	Notes	Unrestricted funds £	Restricted fund £	30.6.24 Total funds £	30.6.23 Total funds £
FIXED ASSETS					
Tangible assets - Additions of £814 for office equipment and depreciation charge of £2871.	14	56,401	-	56,401	58,459
Heritage assets - No movement since revaluation December 2019	15	382,050	-	382,050	382,050
Investments					
Investments - Additions of 233k, disposals of 224k and gain of 40k in the year. Total movement of 49k.	16	691,044	-	691,044	641,771
Investment property - No movement since revaluation March 2022	17	375,000	-	375,000	375,000
		<u>1,504,495</u>	<u>-</u>	<u>1,504,495</u>	<u>1,457,280</u>
CURRENT ASSETS					
Stocks - immaterial balance	18	6,890	-	6,890	6,890
Debtors - decrease in line with membership income and registration fees.	19	55,160	-	55,160	69,837
Cash at bank and in hand		<u>24,135</u>	<u>2,905</u>	<u>27,040</u>	<u>104,000</u>
		<u>86,185</u>	<u>2,905</u>	<u>89,090</u>	<u>180,727</u>
CREDITORS					
Amounts falling due within one year - Accruals down from 12k to 3k - 10k T A Matthews invoice in PY. Trade creditors up from 26.5k to 59.6k - Clarke Willmott invoices due of 49k not in PY and decrease in Weatherbys creditor of 12k.	20	(65,560)	-	(65,560)	(50,604)
		<u>20,625</u>	<u>2,905</u>	<u>23,530</u>	<u>130,123</u>
NET CURRENT ASSETS					
		<u>1,525,120</u>	<u>2,905</u>	<u>1,528,025</u>	<u>1,587,403</u>
TOTAL ASSETS LESS CURRENT LIABILITIES					
		<u>1,525,120</u>	<u>2,905</u>	<u>1,528,025</u>	<u>1,587,403</u>
NET ASSETS					
		<u>1,525,120</u>	<u>2,905</u>	<u>1,528,025</u>	<u>1,587,403</u>
FUNDS					
Unrestricted funds	21			1,525,120	1,584,498
Restricted funds - in relation to Hereford Youth - to be used in next FY				<u>2,905</u>	<u>2,905</u>
TOTAL FUNDS					
				<u>1,528,025</u>	<u>1,587,403</u>

The Hereford Cattle Society

Detailed Statement of Financial Activities for the Year Ended 30 June 2024

	30.6.24 £	30.6.23 £
INCOME AND ENDOWMENTS		
Donations and legacies		
Donations - 5k donation in the PY from Happy Herefords - sustainable farming and catering supplier. CY donation from Monica Brown re summer show sponsorship.	5,000	5,000
Investment income		
Rents received - Car parking consistent - no changes or change in rates.	30,015	30,160
Dividends - Posted per Canaccord investment report for the year.	<u>32,563</u>	<u>34,423</u>
	62,578	64,583
Charitable activities		
Membership income - Member numbers up from 1357 to 1374. But decrease in income due to refunds paid to lost members and now cancelled SOs from prior resigned members.	104,403	110,614
Gift aid - Consistent	18,403	18,743
Registration fees	222,923	242,083
Transfer fees	36,480	35,116
Beef scheme levies	27,720	24,596
Export fees	900	904
Sales and commissions - Decrease in semen sales and decrease in printing of breed journal.	58,896	68,015
DNA testing - Small decline as seen from 2022 to 2023 also as Cattle only to be tested once so slight decline on PY cattle's which have already been tested. Increase due if new DNA testing introduced at some point in future.	103,349	110,093
Herd prefix	<u>5,350</u>	<u>4,517</u>
	578,424	614,681
Other income		
Rental income - Property Rent & hire of boardroom. Other one off costs for additional room hire or use of boardroom has been seen in year hence small increase.	<u>64,469</u>	<u>62,369</u>
Total incoming resources	710,471	746,633
EXPENDITURE		
Investment management costs		
Portfolio management	3,506	3,530
Charitable activities		
Wages - Increase in base salaries for employees - average of 5% but Laura was a leaver and Naomi had joined (lower salary in total than PY).	201,710	196,000
Social security	17,711	17,638
Pensions	3,659	3,886
Rates and water - 4.7k Hereford Council refund in PY for rates not seen in CY.	11,267	6,475
Premises & Health Insurance	8,892	8,050
Light and heat - Change from SWALEC to SSE in October 2023 - higher amounts seen paid on average per month.	33,387	24,699
Telephone	2,716	3,586
Postage and stationery	19,411	19,076
Shows & Breed Promotion - Decrease in sundry publicity by 9k (Hereford Beef Campaign costs in PY), Summer shows down 2.6k and publicity expenses (advertising) down 12k (decrease in farmers guardian costs).	177,208	197,898
Sundries - 7.2k Hereford Youth UK costs compared to 3.5k in the PY and also albrighton hall/hotel costs within dinner tickets code up 1.5k.	11,485	4,229
Cleaning	11,568	11,222
Vehicle expenses	3,468	2,877
Travelling expenses 1.3k - National Herd of the year expenses not seen in PY. Also additional other costs for hotels etc for shows and events attended.	22,972	16,538
DNA testing - 11 weatherbys invoices in PY compared to 6 in the CY. Decrease in dna testing income also seen. But further reduction as creditor movement in CY of 12k credit - timing difference of invoices.	80,710	111,226

The Hereford Cattle Society

Detailed Statement of Financial Activities
for the Year Ended 30 June 2024

Repairs and maintenance - Increase in works by Chris Hall and various other misc repairs around the offices.	24,429	19,074
Breed improvement scheme	2,881	3,014
Breedplan costs	16,521	17,628
Subscriptions	1,412	1,854
Transfer of beef scheme levies to N.I. - As agreed, to email trail for settlement - NI Levy issue which has incurred legal costs over the last several years - cleared in prior year.	-	35,000
Transfer of semen	13,143	15,393
Donations - Farm Safety Foundation 3.6k and Leukaemia UK donation 3.6k.	-	7,222
Depreciation of tangible fixed assets - Depreciation on assets as per balance sheet.	2,871	3,415
Grants to institutions	<u>3,250</u>	<u>4,059</u>
	670,671	730,059
Support costs		
Finance		
Bank charges	1,900	1,967
Governance costs		
Auditors' remuneration	5,292	4,803
Accountancy fees	4,028	3,715
Legal fees - Ongoing costs for Fenton & Hall case, as well as costs for NIHBA members fees with Clarke Willmot and other employment advice fees noted. As seen within creditors 49k creditor at year end for Clarke Willmott fees.	101,474	29,704
	<u>110,794</u>	<u>38,222</u>
Total resources expended	<u>786,871</u>	<u>773,778</u>
Net expenditure before gains and losses	(76,400)	(27,145)
Realised recognised gains and losses		
Realised gains/(losses) on fixed asset investments - Per Canaccord - gain in the year and loss on disposals.	17,022	(20,951)
Net expenditure	<u>(59,378)</u>	<u>(48,096)</u>



Audit Findings Report 2024



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Limitations:

We have prepared this report for your use within the Trust. It is part of our continuing communication of audit matters with those charged with the governance of the organisations and, accordingly, is addressed to the Board. It is not intended to include every matter that came to our attention. For these reasons, we believe that it would be inappropriate for this report to be made available to third parties. If such a third party were to obtain a copy, we would not accept any responsibility for any reliance that they might place on it.

Introduction

We have pleasure in presenting our Audit Findings to the Board. This report is an integral part of our communication strategy with you, a strategy which is designed to ensure effective two-way communication throughout the audit process with those charged with governance.

This report summarises the approach to completing the planned audit for the year, the results of our work and any areas requiring further discussion and/or the attention of the Board. At the completion stage of our work it is essential that we engage with the Board on the audit findings regarding key risk areas, including significant estimates and judgements made by management, critical accounting policies, any significant deficiencies in internal controls, and the presentation and disclosure including compliance with FRS 102, Charities SORP, the Charities Act 2011 and the Companies Act 2006.

We would like to take this opportunity to thank you and your staff for your help and cooperation during the course of our audit.

Lisa Weaver FCCA
Head of Audit



Audit Independence

Under current UK Auditing and Ethical Standards we are required as auditors to confirm our independence to “those charged with governance” i.e. the trustees/directors. Our internal procedures are designed to ensure that all partners and professional staff are aware of relationships that may be considered to bear on our objectivity and independence as auditors.

We listed the potential threat to our objectivity and independence in our planning letter to those charged with governance. No additional facts or matters have arisen during the course of the audit that we wish to draw to your attention and we confirm that we are independent and able to express an objective opinion on the financial statements.

Audit scope and other communications

Audit scope

Our terms of engagement are set out in our letter of engagement which sets out our audit responsibilities and their limitations and the responsibilities of the trustees in relation to the financial statements.

Materiality

Overall materiality was determined based at 2% of income. We consider this is the most appropriate measure for calculating materiality and is a measure which is of significant interest to both the Board and those reading the financial statements.

In accordance with the auditing standards, “clearly trivial” (the level at which misstatements are reported to the Trustees) is set at 5% of overall materiality.

Transactions relating to related party transactions are classed as being material by nature, therefore there is no quantitative limit sets for these transactions.

Changes in accounting policies

No significant changes in accounting policies have been made during the course of the year.

Accounting for judgements and Estimates

As part of the audit standards and in line with our audit processes, we are required to obtain an understanding as to the rationale behind accounting estimates and judgements taken by management. As such, we have reviewed the following areas which we consider to represent the key judgements and estimates in the accounts:

- Management override of control
- Income recognition
- Depreciation rates applied
- Accounting for assumptions in accounting estimates
- Going concern
- Related parties

The judgements made within the accounts are considered to be balanced.

Consideration of fraud

During the course of our work we found no evidence of fraud and corruption. We must emphasise, however, that the responsibility for the prevention of and detection of fraud lies with management, and our work does not remove the possibility that fraud and corruption may have occurred and remain undetected.

Related parties

We are not aware of any related parties or related party transactions which have not been disclosed in the financial statements.

Laws and regulations

Our audit is required to consider and assess the organisations compliance with central laws and regulations, and consider the existence of breaches that could lead to a fundamental event, such as excessive fines that have a material impact on the financial statements, that threaten the going concern status of the entity, or legislation that could lead to the forced closure of operations.

Our work has not identified any instances of material breach, and the organisation appears to have devoted sufficient resources, experience, skills and training to all key regulatory aspects of its affairs.

Other information and disclosures

Auditors are required to review any other information issued with audited financial statements, such as an annual review, web site announcement or trustees' report, and determine if such reports are consistent with the financial statements. We are pleased to report that the trustees' report and other content is consistent with the financial statements.

Recommendations for improvements in controls

We are required to report to you on the significant deficiencies we found in internal controls during the course of our audit, along with any other deficiencies identified.

A schedule of unadjusted errors has been provided to you in Appendix 4.

Misstatements and adjustments to the accounts

It is considered good practice to inform you of any material misstatements within the financial statements presented for audit that have been discovered by us. A material misstatement is one where the auditors believe that the misstatement is such as to affect the reader's understanding of the accounts. Materiality is considered in relation to the value of the misstatement and also its context and nature.

During the course of the audit, adjustments were necessary in order to facilitate the preparation of the statutory financial statements, consisting of fundamental underlying transactions together with matters of presentation for statutory purposes.

A schedule of audit adjustments has been provided to you for approval. These are noted on Appendix 3.

Unadjusted errors

We are required by Auditing Standards to inform you of any such adjustments which have not been made, other than those deemed to be clearly trivial.

A schedule of unadjusted errors has been provided to you in Appendix 4. The letter of representation states that the individual amounts and aggregate total is immaterial and, accordingly, no adjustment is required.

Representation letter

A letter of representation will be issued with the financial statements, and we shall forward this for approval by separate cover.

Subsequent events

Our audit procedures and discussions with management carried out to date have not identified any significant post balance sheet events, either adjusting or non-adjusting events. This matter will be discussed further with the relevant committee. We will complete our audit procedures in this area at the point of approval of the financial statements, at which time we will require suitable representations from the directors/trustees.

Summary Statutory Audit Opinion

As a result of the audit work we have undertaken, we make an opinion on the organisation's financial statements as to whether they give a true and fair view of the organisation's affairs.

Full details of the audit report can be found in the organisation's financial statements.

Significant risks and other matters identified in our audit

Risk Based Audit

We performed a risk-based audit, focussing our work on key audit areas. We began by developing further our understanding of the organisation's activities and the specific risks it faces. We held an initial planning meeting with key management and finance staff to ascertain management's own view of potential audit risks, and to gain an understanding of the organisation's activities.

We have also developed an in depth understanding of the accounting systems and controls so that we may ensure their adequacy as a basis for the preparation of the financial statements, and that adequate accounting records have been maintained.

Our audit procedures were carried out, and then we ensured the presentation and disclosure in the accounts meet all the necessary requirements.

Significant audit risks

The identified significant audit risks were communicated to you in our audit planning report issued before our main fieldwork began.

We now note the work performed and conclusions drawn on the following pages:

Potential issues	Our Approach	Conclusion
<p>Going Concern</p> <p>Many organisations are seeing reduced income and increased expenditure through utility and staff costs; budgets are tightening and reserves held are being affected.</p> <p>This risk that the organisation is not a going concern has an effect on the way in which the accounts are prepared and any opinions on the future of the organisation, and as such is a key area of focus for our audit.</p>	<p>We have reviewed the financial forecasts and the recent management accounts and budgets. We have assessed these and the results for the current year.</p> <p>We have discussed with management the steps taken to ensure future sustainability. The trustees need to give consideration to the level of reserves maintained, current cash balances and future forecasts, and consider going concern for at least 12 months from the approval of the accounts and ensure they agree with the assessment.</p>	<p>Please see specific points in the Appendix</p>

Potential issues	Our Approach	Conclusion
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Management override of controls

In all entities, there is a risk that management could carry out fraud by overriding existing controls in order to manipulate accounting records and ultimately the financial statements.

Our audit is designed to provide reasonable assurance that the accounts are free from material misstatement, whether caused by fraud or error.

We are not responsible for preventing fraud or corruption, although our audit may serve to act as a deterrent.

During our audit, we considered the possibility of manipulation of the financial results, for example through the use of journals or management estimates, such as provisions and accruals.

Walkthrough tests on each area were carried out to ensure that systems were being followed.

Estimates and accounting policies used in the accounts appear reasonable and in line with expectations.

We have not identified any reportable issues during our audit testing and sample based checks on journals and estimates.

Revenue recognition

There is an inherent risk that management may wish to improve the financial performance of the organisation through the misstatement of income.

We identified the income systems and carried out procedures to gain assurance over the operation of internal financial controls in place to prevent the loss of income and to ensure that income is recorded in the correct period.

We discussed with the trustees and organisation finance staff whether they are aware of any cases of fraud occurring during the year. We also reviewed Board and Committee minutes.

Income appears appropriately recognised in the accounts.

The organisation's debtors have also been deemed recoverable, therefore giving satisfaction that the income is indeed free from material misstatements.

Income has been presented appropriately in the accounts and in accordance with the accounting standards.

Potential issues	Our Approach	Conclusion
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Fund Accounting & Value for Money

<p>We are required to consider whether the expenditure disbursed and income received by the organisation during the financial year have been applied to the purposes intended by the donor.</p> <p>The trustees need to ensure the use of the organisations assets are within the best interests of the organisation and within its charitable objects. Value for money considerations should be evidenced at all times.</p>	<p>We reviewed the systems to ensure that there are financial controls in place that comply with charity commission guidelines.</p> <p>We undertook an assessment of the risk of material irregularity and impropriety across all of the organisation's activities.</p> <p>We discussed with the trustees and the finance staff whether they are aware of any cases of fraud occurring during the year.</p> <p>We checked a sample of transactions, including purchases and salary payments, to source documentation to ensure expenditure was incurred for a valid reason and is in accordance with the donors wishes. We also consider value for money in our work.</p>	<p>We are satisfied that the funds have been used for the purposes intended, unless indicated otherwise in the appendices.</p>
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Related Parties

<p>Due to the nature of the organisation, related party legislation contains strict guidelines regarding the appropriateness of transactions with all trustees and other related parties. There is always a risk surrounding completeness and disclosure of such transactions.</p>	<p>We discussed with management and reviewed trustee and other senior management declarations to ensure there are no related party transactions which have not been disclosed.</p> <p>Internal procedures in place for the identification of related party transactions were reviewed and assessed, and any relevant information concerning any such identified transactions was reviewed.</p> <p>We have requested written management representations from you confirming the full disclosure of related party transactions.</p>	<p>We are satisfied that the related party transactions are complete and have been disclosed accordingly within the accounts.</p>
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Emerging and topical issues for charitable organisations

Charities Act 2022 - changes

The following provisions came into force 7 March 2024

Making changes to governing documents

The new statutory power that trusts and unincorporated associations can use to make changes to their governing document is now in force.

Other changes that are in force include:

- how unincorporated charities must pass trustee and (where they have members) member resolutions when using the new power
- that the Commission will apply the same legal test when deciding whether to give authority to charitable companies, CIOs, and unincorporated charities changing their charitable purposes
- a power for the Commission to give public notice to, or to direct charities to give notice to, regulated alterations they make

Selling, leasing or otherwise disposing of charity land

the provisions relating to disposals by liquidators, provisional liquidators, receivers, mortgagees or administrators

the provisions relating to the taking out of mortgages by liquidators, provisional liquidators, receivers, mortgagees or administrators

changes about what must be included in statements and certificates for both disposals and mortgages

Charity mergers

For certain mergers, new rules are now in force that will allow most gifts to charities that merge to take effect as gifts to the charity they have merged with.

Other provisions

The Act enables the Commission to:

- authorise a trustee to receive or retain a payment for work completed for the charity where the Commission decides it would be inequitable for a trustee not to be paid
- confirm defective or potentially defective trustee appointments

For the full guidance, see the Charity Commission website:

<https://www.gov.uk/guidance/charities-act-2022-guidance-for-charities>



Emerging and topical issues for charitable organisations

Charities Act 2022 - changes

Changes that came into force on 31 October 2022

Paying trustees for providing services or goods to the charity

Charities now have a statutory power to pay trustees for providing goods alone to the charity in certain circumstances.

Using the new statutory power, trustees can be paid for:

- services only, for example estate agency or computer consultancy
- services and associated goods, for example plumbing or painting service and any associated materials such as plumbing parts or paint
- goods only, for example supplying stationery to the charity

Fundraising appeals that do not raise enough or raise too much

There are now simpler requirements for trustees to follow if an appeal does not raise the amount needed to deliver its aim, raises too much or circumstances change and the donations cannot be used as intended.

Power to amend Royal Charters

These charities have a new statutory power to change sections in their Royal Charter with approval from the Privy Council.

Changes that came into force on 14 June 2023

Selling, leasing or otherwise disposing of charity land

Charities must comply with certain legal requirements before they dispose of charity land. Disposal can include selling, transferring or leasing charity land. The Act simplifies some of these legal requirements. The changes include:

- widening the category of designated advisers who can provide charities with advice on certain disposals
- confirming that a trustee, officer or employee can provide advice on a disposal if they meet the relevant requirements
- giving trustees discretion to decide how to advertise a proposed disposal of charity land
- removing the requirement for charities to get Commission authority to grant a residential lease to a charity employee for a short periodic or fixed term tenancy

Using permanent endowment

Put simply, permanent endowment is property that your charity must keep rather than spend.

The Act introduces new statutory powers to enable:

- charities to spend, in certain circumstances, from a 'smaller value' permanent endowment fund of £25,000 or less without Commission authority
- certain charities to borrow up to 25% of the value of their permanent endowment fund without Commission authority

Charities that cannot use the statutory powers will require Charity Commission authority.

A new statutory power enables charities that have opted into a total return approach to investment to use permanent endowment to make social investments with a negative or uncertain financial return, provided any losses are offset by other gains.

Charity names

The Commission can currently direct a charity to change its name if it is too similar to another charity's name or is offensive or misleading. The Act enables the Commission to:

- direct a charity to stop using a working name if it is too similar to another charity's name or is offensive or misleading. A working name is any name used to identify a charity and under which the activities of the charity are carried out. For example, 'Comic Relief' is the working name of the charity 'Charity Projects'
- delay registration of a charity with an unsuitable name or delay entry of a new unsuitable name onto the Register of Charities
- use its powers in relation to exempt charities in consultation with the principal regulator

Emerging and topical issues for charitable organisations

The Essential Trustee: 6 Main Duties

1	Ensure your charity is carrying out its purposes for the public benefit	<p>Know what your charity can and can't do within its purposes</p> <p>Know how your charity is fulfilling its purposes and benefitting the public</p> <p>Know what difference your charity is really making</p>
2	Comply with your charity's governing document and the law	<p>Be familiar with your governing document</p> <p>Be up to date with filing accounts, returns and any changes to your charity's registration details</p> <p>Be aware of other laws that apply to your charity</p> <p>You don't need to be an expert but take reasonable steps to find out!</p>
3	Act in your charity's best interests	<p>Make balanced, informed decisions</p> <p>Recognise and deal with conflicts of interest</p> <p>Ensure trustee benefits are actually allowed</p> <p>Be prepared to question and challenge</p> <p>Accept majority decisions</p> <p>Don't preserve the charity for its own sake and for your own interest</p>
4	Ensure your charity is accountable	<p>Meet legal accounting and reporting requirements</p> <p>Show that your charity complies with the law and is effective</p> <p>Be accountable to members and other interested parties</p> <p>Ensure staff and volunteers are accountable to the Board</p> <p>Welcome accountability as an opportunity, not a burden</p>

5	Manage your charity's resources responsibly	<p>Manage risks, protect assets, reputation and people</p> <p>Obtain the resources your charity needs</p> <p>Establish and follow appropriate controls and procedures</p> <p>Deal with land and buildings appropriately</p> <p>Be responsible for and to staff and volunteers</p>
6	Act with reasonable care and skill	<p>Use your relevant skills and experience</p> <p>Recognise when you need advice</p> <p>Prepare well for meetings</p> <p>Obtain the information you need to make informed decisions</p> <p>Be prepared in case things go wrong.</p>

Refresh your knowledge

Whether you're a new or experienced trustee, the Charity Commission guidance and support will help you be sure of your responsibilities and confident you're doing the right thing for your charity.

They have designed some 5-minute guides to support you as you manage the demands of running a charity and cover the topics you need to increase your knowledge and understanding of your essential trustee duties.

They give simple and clear advice, designed with real trustees and real situations in mind.

The guides all signpost to more detailed information and advice should you need it. Here is the link if you want to find out more:

<https://www.gov.uk/guidance/charity-commission-guidance#minute-guides-for-charity-trustees>

ASK
YOURSELF.....

Delivering purpose:

Q: Could you be drifting into activities that your charity is not set up to do?

A: Be sure your charity's activities help to deliver its purpose and comply with its governing document and the law. What are your charity's objects?

Managing conflicts of interest:

Q: How would you identify and manage a conflict of interest?

A: Make sure every decision made is in the best interests of your charity.

Safeguarding people:

Q: Is your charity keeping everyone safe from harm?

A: Safeguarding applies to every charity, not just those dealing with children and adults at risk.

Making decisions:

Q: How do you make effective decisions?

A: Trustees need to work together to make the best decisions for your charity.

Managing finances:

Q: Do you understand whether the charity's money is safe, properly used and accounted for?

A: It's the responsibility of all trustees, so if you don't understand, ask!

Fraud and Cyber Crime:

Q: How do you protect the charity from fraud and cyber crime?

A: You may not think it applies to your charity but fraud is a serious problem that you cannot afford to ignore. Even small changes can help towards protecting you from harm. It's important to be more fraud aware and identify threats to your charity's IT systems, data and funds and have a response plan in place in case things go wrong!

The [Preventing Charity Fraud](#) website has information on how to prevent, detect and respond to different types of fraud and cybercrime.



Cyber Crime

The National Cyber Security Centre (NCSC) has produced an [e-learning training package: 'Stay Safe Online: top tips for staff'](#). It's free, easy to use and takes less than 30 minutes to complete.

The training explains why cyber security is important and how attacks happen. It then covers 4 key areas:

1. defending yourself against phishing
2. using strong passwords
3. securing your devices
4. reporting incidents

Finally....



15 questions trustees should ask



Hereford Cattle Society
Audit Management Letter Y/E 30/06/2024



2024 Audit Review
Including the Management Letter

Systems findings

And

Other Audit Matters

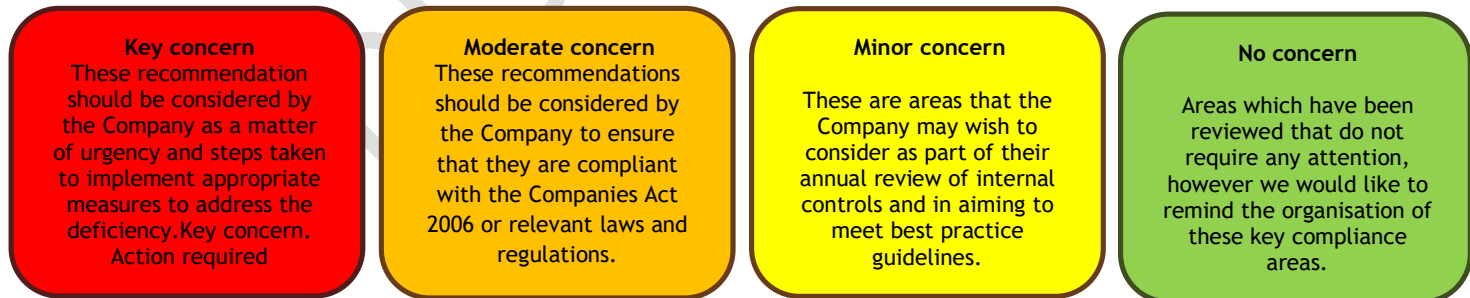
August 2024

Specific audit and control points

We are required to report to you, in writing, significant deficiencies in internal control that we have identified during the audit. These matters are limited to those which we have concluded are of sufficient importance to merit being reported to you. As the purpose of the audit is for us to express an opinion on the Company's financial statements, you will appreciate that our audit cannot necessarily be expected to disclose all matters that may be of interest to you and, as a result, the matters reported may not be the only ones which exist. As part of our work, we considered internal controls relevant to the preparation of the financial statements such that we were able to design appropriate audit procedures. This work was not for the purpose of expressing an opinion on the effectiveness of internal control.

The points are raised to assist the management team in strengthening and formalising the internal control environment, something which is essential and often overlooked. These issues raised are not intended as, nor should they be construed as, criticism of management or individual persons. They are intended to be of assistance in establishing an appropriate system of internal control, essential to the Company.

A summary of the key audit findings can be summaries as per the table below.



Prior year	0	1	5	2
Statutory audit	0	1	6	0

This section updates you on the status of significant issues that were brought to your attention last year and confirms whether any further action is required.

Priority rating	Area	Significant issue raised in prior year	Follow up comment/further action requires
1	Personnel files It was identified during employee testing that two employee files had no identification.	Consistent and complete record-keeping is essential. Please ensure all files are kept up to date.	No issues with personnel files noted in the current year of review.
2	Declarations of Interest - Recommendation 2 trustees have not signed and completed declarations of interest to confirm business interests and transactions each year. DS and JG.	Trustees should complete as a minimum annual declaration of interests and submit to The Hereford Cattle Society to ensure no unidentified related party relationships or transactions. Declarations should be signed by trustees to confirm all business interests and transactions related to The Hereford Cattle Society have been disclosed and are identifiable.	Still applicable.
3	DBS Checks for Trustees No DBS checks are completed for trustees of Hereford Cattle Society.	Charity Commission guidance 'The DBS undertakes criminal records checks of individuals, which charities can use to ensure that they are eligible and suitable for the trustee role. The type of check that can be made depends on the nature of the charity's activities and the role that the trustee plays.'	DBS checks completed for trustees within the year.
4	Fenton & Hall - Legal Case There has been ongoing legal fees and dispute noted in the year between the society and Fenton & Hall over the purity of cattle and issue with bloodline.	To ensure any issues as noted are monitored closely and are to be disclosed within the financial statements where necessary.	Still applicable

	Could an update please be provided at completion stage.		
5	Skills Audit (Recommendation) It is recommended as best practice that Hereford Cattle Society conducts a skills audit for the current trustees and periodically when there are changes to the board.	A skills audit is a useful way of identifying what trustees bring, and the gaps in skills and knowledge on your board. It can be useful when you're looking to recruit new trustees.	Still applicable and not completed.
6	Risk Register (Recommendation) It is recommended as best practice that Hereford Cattle Society keeps and monitors a risk register.	A risk register is an important component of any successful risk management process and helps mitigate potential issues that could arise.	Still applicable and not completed.
7	Value for Money It is best practice to ensure that all income received for a charitable organisation is utilised in the best interests of the society and its members.	There should be a periodic review of all costs, including salaries, to ensure they are used in the best interest of the society.	Still applicable for charities in the current economy.
8	Going Concern It is important for management and the trustees to reassess whether the organisation will be a going concern for at least 12 months from date of signing the financial statements.	Management/trustees need to provide evidence to support their adoption of the going concern basis which includes: A copy of the most recent management accounts should be provided to TW, together with the budget/forecast for at least 12 months from date of signing the accounts. We recommend producing a Going Concern paper to be approved at Board.	Still applicable for charities and reviewed each year as part of the audit.

There were no significant deficiencies in internal control identified during the audit process, and it appears that the level of controls and systems in place is sufficient to mitigate risks of material misstatement and override.

We did note some areas where improvements could be made and these are discussed below. We have identified the following items that we consider to be significant in internal control.

Priority rating	Area and Observation	Recommendation	Management Response
	<p>Audit Preparation Year-end procedures and audit preparations were completed well. Support with any queries and time spent with the audit team is also commended, thank you for a smooth audit process.</p>		
1	<p>Declarations of Interest - Recommendation 1 trustee has not signed and completed declarations of interest to confirm business interests and transactions each year. JC has not completed.</p>	<p>Trustees should complete as a minimum annual declaration of interests and submit to The Hereford Cattle Society to ensure no unidentified related party relationships or transactions. Declarations should be signed by trustees to confirm all business interests and transactions related to The Hereford Cattle Society have been disclosed and are identifiable.</p>	
2	<p>Fenton & Hall & NIHBA - Legal Cases There has been ongoing legal fees and dispute noted in the year between the society and Fenton & Hall over the purity of cattle and issue with bloodline. The threat has declined but still present. In addition, in the year there were significant legal fees paid for a dispute with the NIHBA with council members. This has been confirmed as being resolved at the end of February but there is still a large creditor of costs due at the year end of just under 50k. Could an update please be provided at completion stage.</p>	<p>To ensure any issues as noted are monitored closely and are to be disclosed within the financial statements where necessary.</p>	
3	<p>Skills Audit (Recommendation) It is recommended as best practice that Hereford Cattle Society conducts a skills audit for the current trustees and periodically when there are changes to the board. This has not been completed in the year as noted in 2023.</p>	<p>A skills audit is a useful way of identifying what trustees bring, and the gaps in skills and knowledge on your board. It can be useful when you're looking to recruit new trustees.</p>	
4	<p>Risk Register (Recommendation)</p>	<p>A risk register is an important component of any successful risk management process and helps mitigate potential issues that could arise.</p>	

Hereford Cattle Society

Audit Management Letter Y/E 30/06/2024

	It is recommended as best practice that Hereford Cattle Society keeps and monitors a risk register. This has not been completed in the year as noted in 2023.		
5	Value for Money It is best practice to ensure that all income received for a charitable organisation is utilised in the best interests of the society and its members.	There should be a periodic review of all costs, including salaries, to ensure they are used in the best interest of the society.	
6	Heritage Assets We have noted that there has still been no revaluation of heritage assets since December 2019.	FRS30 - to encourage a valuation approach, the FRS allows entities to use internal valuations without the need for a full valuation every five years but recommended.	
7	Going Concern It is important for management and the trustees to reassess whether the organisation will be a going concern for at least 12 months from date of signing the financial statements.	Management/trustees need to provide evidence to support their adoption of the going concern basis which includes: A copy of the most recent management accounts should be provided to TW, together with the budget/forecast for at least 12 months from date of signing the accounts. We recommend producing a Going Concern paper to be approved at Board.	

Other points raised:

1. We have previously raised a point regarding Xero functionality and the use of its features to store invoices and view them remotely. Training was provided on this area in the year and this point is still applicable. But we understand that the organisation does not see the benefit of adding invoices onto the system at present.
2. In addition, for any donations received the society should have evidence recorded of the donor details, where the donation is from i.e. savings and the purpose which the society should spend this donation on and if there is any restrictions applicable. These points particularly apply when cash donations.

Unadjusted Audit Misstatements

A summary of the unadjusted errors identified during the course of our work are found below, in addition no adjusted errors were identified during the course of the audit.

We have not disclosed below those items that we consider to be “clearly trivial” in the context of our audit.

Adjustments	Effect on P&L £	Effect on Balance Sheet £
None identified.		

Agenda Item 3.0

Matters arising – 17 July 2024

Agenda Item 4.0

To invite Canaccord to the November council meeting

Agenda item 10.0

Small working group to work on the wording of the 5 year strategy document

Agenda item 12.0

To invite Josh Dowbiggin to the September council meeting

Agenda item 16.0

PS to consult with Croner with regards to a complaints procedure. Croner have said what has been presented to council is an acceptable document.

Agenda item 18.0

PS to respond to J Edwards email.

PS to email council costings for Argentina

PS to write to Fred Hawke in relation to his letter

Date & Time: 17 July 2024	Location: Board Room and Zoom	Name of Meeting: July Council Meeting
Attendees: Philip Allman – Chairman (PA) Martin Jenkins – Vice Chairman (MJ), Allen Massey –President (AM), Jackie Cooper (JC), Sarah Cowle (SC), George Harvey (GH), David Makin (DM), Mike Shaw (MS)		
Staff: Paul Sneyd (PS) Director of Operations		
Zoom:		
Apologies: Apologies were received from Non Thorne		
Action Points Produced By: PS	Minutes Circulated to: All Council Members.	
Date of the next Council Meeting: Tuesday 10 September 2024		

Item	Agenda Item	Action	Due date for completion	
1.0	To receive apologies Apologies were received from Non Thorne.			
2.0	To confirm the minutes of the meeting of Council held on 13 February 2024 (see attached) The minutes were duly approved and proposed by MS and seconded by DM.			
3.0	Matters arising out of the minutes <u>Agenda Item 4.0</u> Minutes to be changed to correctly describe Johnes testing – This has been done. <u>Agenda item 6.0</u>			

Item	Agenda Item	Action	Due date for completion	
	<p>To action if members do not provide a random sample for testing when requested within three months that animal is de registered. This has been done.</p> <p><u>Agenda item 8.0</u></p> <p>Code of conduct to be sent to council for signing and DBS checks done on all council members and staff. This has been done but not all council members have as yet completed them.</p> <p><u>Agenda item 11.0</u></p> <p>SC & MS to speak with their area around the Thomas Duckham award about potentially rebranding the award.</p> <p><u>Agenda item 12.0</u></p> <p>PS to inform councils choice for the British Hereford logo. This was done.</p> <p><u>Agenda item 14.0</u></p> <p>MS to inform Steve Edwards that he has been nominated as judge for the Autumn Show and Sale. This has been done and Steve has accepted.</p> <p><u>Agenda item 16.0</u></p> <p>PS to ask the whole membership if there is anyone who would like to volunteer to be part of the organising committee for the World Hereford Conference 2028. There was one person who volunteered which was Josh Dowbiggin.</p> <p><u>Agenda item 17.0</u></p>			

Item	Agenda Item	Action	Due date for completion	
	<p>PS to write to Mr Smith in relation to his concerns with DB in the Hereford herd. The chairman also spoke to Mr. Smith.</p> <p>DM said that he didn't receive the email regarding the World Hereford Conference and PS said that the topic would be discussed later in the meeting.</p> <p>JC mentioned about TA Matthews expenditure from last year's accounts and PS said that he has chased Derek Backhouse up and he is invoicing quarterly to which JC asked have they been added to the correct year end to which PS replied it will all be accounted for.</p>			
4.0	<p>To receive an update on Registrations and transfers. Financial projections for 2023-2024 and 2024-2025 & investment portfolio</p> <p>PS went through the projection as normal and said that registrations are 500 down at present and know that other cattle breed societies are also seeing a reduction, and this also includes sheep society's.</p> <p>He also went on to say that salaries and pensions would be slightly different due to Naomi leaving. There is also an increase in electricity.</p> <p>One thing that hasn't been put in is the Clarke Willmott invoices for the recent case.</p> <p>In terms of Canaccord you will see that the latest funds that we have at present are 700k and in May it was 708k. The latest portfolio also shows that we have taken out 30k.</p> <p>PS also proposed that moving forward council should invite Canaccord to the May and September council meeting to present themselves as we leave it up to them to make the decisions.</p> <p>JC then brought up Hypotrichosis and PS said that there is a situation whereby a member has been in contact with the society where their calves tested positive for hypotrichosis when the bull had been tested free. When it was re-tested the bull came back as a carrier. PS has been in contact with Romy from Weatherbys to ask what has gone wrong and both himself and Tracey Thomas are having a meeting with Weatherbys</p>	To invite Canaccord	01/8/2024 Invited for Nov 2024	01/08/2024

Item	Agenda Item	Action	Due date for completion	
	<p>tomorrow and any of you that wish to join are welcome to do so. PA said that it is worrying that there could be others and JC asked do random tests need to be done to see if there are others out there.</p> <p>SC asked the question as to when something is imported into this country is it retested or do the Society accept the overseas result to which the answer is the Society accepts the overseas result. SC feels that imports should as they are a risk value, and the import fees should be increased.</p> <p>After a lengthy discussion it was decided to test both sides:</p> <p>This went on to Delayed Blindness as to whether more testing is required rather than just imports and exports PS said that he had received lots of emails from Traditional breeders regarding this. To which SC felt that there should be target testing.</p> <p>SC also said that Pedimatch would help analyze the database for this. If you look at the import list in the UK then it will tell you how many animals there are as carriers</p> <p>MS said to find out the cost of using Pedimatch to which DM said it is quote costly as he had a free go.</p> <p>PS asked so do you want me to find out how much it will cost for Pedimatch and to organize some random tests.</p> <p>SC said that a risk-based test is better than a random test.</p> <p>PS shall we pick 10 animals and see what comes back.</p> <p>It was then decided by all that there should be 15 random tests and 15 risk tests and for the Society to pay.</p> <p>PS then went on to talk about the debtors list and a lengthy discussion was had on how to improve the 120 days and the decision was to leave as is and monitor it.</p> <p>PS said that random calf inspections were now starting, and that Andy Ryder would be carrying them out.</p> <p>JC asked that in future could council members be informed first as she has had members asking her all about it. To which SC said as a board we need to be ahead of communications, and could they please have an email of what is being sent to breeders.</p> <p>The Zootechnical registration was then discussed</p>			

Item	Agenda Item	Action	Due date for completion	
	<p>PS Essentially, we have to accept everything into the Herd Book - for instance the Shorthorns are trying to eradicate Myostatin and they are putting the carriers into a different section. You can exclude them from shows but they can still go in the herd book. Non-members can still register them but the society sets the fee. SC asked has the society risk assessed what we let in that we shouldn't have. To which PS said that he didn't raise it with Rachel Davies from DEFRA. The only response that the society have had so far is from Argentina and will have to get clarity from DEFRA.</p> <p>PA we need to get the message out to members as soon as possible as there could be some out there that are already negotiating.</p> <p>PS said that he was having another call with DEFRA to see if there is a grace period or whether it is in retrospect.</p> <p>JC Asked how many meetings had PS and Tracey Thomas had with DEFRA to which PS replied one meeting with them and then wrote to Rachel Davies.</p> <p>JC until the gates are closed then they will carry on and not see it as an issue.</p> <p>SC the other thing to ask is what is happening to cases such as Argentinian semen coming through the other countries.</p> <p>PS Tracey and I were talking about this, and we need to go back to Rachel Davies for clarification to which JC said so any cattle now respectively back to 2021 could be de-registered.</p> <p>JC asked how many breeds are in this situation to which PS replied all breeds but only our breed as of Ann Pounds complaint. We have changed our wording on the WHC website.</p> <p>JC asked once responses are received is there a timeline to which SC said DEFRA are passing the buck it should be up to them to do the checks.</p> <p>PA felt that the liability should be DEFRA.</p> <p>PS said that he is going to ask DEFRA to write to their Minister of Agriculture.</p> <p>JC asked has the society stopped importing from those countries as it is better to start now and need time scales for those countries.</p>			

Item	Agenda Item	Action	Due date for completion	
5.0	<p>Society Fees review</p> <p>PS starting by saying that the Import fees need to be raised, and he also proposed to increase the registration fee.</p> <p>JC asked what the reasoning is to increase the registration fee to which GH said that members are already complaining about the cost of registrations.</p> <p>JC felt that we should wait until the new system is in place and see what work is involved.</p> <p>MS suggested different pricing for males and females to which SC said that there are a lot of bulls that shouldn't be in the shows and sales.</p> <p>There were several suggestions put forward and then PA asked the question around the table and the result was to leave as is.</p> <p>GH went on to say that he is in favour of a better de-registration system.</p> <p>SC asked has there been an increase in members registrations since the rule of de-registering of bull calves had been brought into operation. To which the answer was no.</p> <p>PS the ones that complain the most are the ones with the larger herds, and I think that some are registering all due to the TB issue.</p> <p>PA so do you want to increase it to 50% to which PS replied that the general consensus is that members aren't in favour of %.</p> <p>PS asked what about non-members price list – other society's say three times registration and transfer fee and we need to do it as we have Mr Pollestad.</p> <p>GH Perhaps make it £100</p> <p>A discussion was had, and it was decided to increase the import fees to £200 + VAT plus any DNA costs</p> <p>It was also decided to leave other fees as is and this was proposed by AM and seconded by JC.</p>			
6.0	<p>Review of employees remuneration and bonus scheme</p>			

Item	Agenda Item	Action	Due date for completion	
	<p>As from 1st July the staff increases passed were:</p> <p>Paul Sneyd 2%</p> <p>Tracey Thomas 5%</p> <p>Beverley Turner 5%</p>			
7.0	<p>Review of Spring Show and Sale</p> <p>PS gave a report and GH asked what is happening about the cattle crush to which MS said that it is not up to standard.</p> <p>MS said that the feedback on the bulls was negative.</p> <p>PS said that he wants the CHECS board to sign off re Johnes and it will then be put in the catalogue in the front and online. He would like it passed in readiness for the Autumn Show & Sale.</p>			
8.0	<p>SW – to discuss them not having any representation in the area</p> <p>To discuss other areas without representation and the possibility of co-opting people onto council</p> <p>PS read out the rules and stated that the next cycle is 2025 – anything out of the parameters has to be co-opted on by council.</p> <p>MJ would rather the area put the member forward</p> <p>MS said that council are dangerously short as if some are ill or couldn't make it then a meeting may not be able to be held.</p> <p>SC the area associations are not representing members.</p> <p>GH Proposed that they co-opt Jimmy Hodge for Scotland and MS said that he is happy to have Gerald Wood for the South West.</p> <p>SC said that they should have to do a skills audit as the society should only co-opt on on a basis of skills.</p> <p>GH felt that this is futile.</p> <p>JC said that they have got to have skills and expertise in the areas that is lacking for them to be co-opted on .</p>			

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	<p>PS We are 12 months off another election and the concern is leaving the council vulnerable.</p> <p>SC asked what is happening with Northern Ireland to which PA said that D Wilson wanted the next one on the voting list to be the Northern Ireland representative. Another suggestion was to leave NI as is and have one of the current council members as a liaison officer.,</p> <p>AM asked is there anything in the constitution that can bring the election forward to which JC said no as it is in the rules and regulations.</p> <p>PS It was agreed to co-opt on for SW and NI and to pencil in Gerald Wood and Des Kelly. MJ to contact Des Kelly. SC asked what skill Gerald Wood has got and JC said that charity governance does stipulate that they need to bring a skill set to the table and we do have to conform.PA said that bringing a cattle breeder in for the South West is a skill.</p> <p>A vote took place, and it was decided to co-opt Des Kelly and Gerald Wood on – MJ to contact Des Kelly and PA to speak to Gerald Wood.</p>			
9.0	<p>Clarke Willmott – to review costs and to sign off invoices</p> <p>PS said that there is another invoice to come to which JC asked what for and PS replied it is for the transcript audio for Mr Walker and other than that it is up to date.</p> <p>MJ asked what we do about any other correspondence coming in from David and James solicitor and how do we draw a line under it.</p> <p>PS There was a letter processed when James and George had their dispute and in my opinion it is done and finished as the boards decision was to write a letter to George and James and it was final and nothing came back from James or George.</p> <p>JC can't comprehend the spend. How has it got out of control. Half the stuff as a board we don't know what has been going on. MJ - the SIR (Serious incident report) that cost us a lot of money.</p> <p>JC said that she has seen the first legal invoices and agreed, and SC also agreed with this.</p> <p>JC as soon as it got to 10K nothing should have been done and SC asked why bills from Clarke Willmott were split to under 10k with the same date on.</p> <p>JC the authority was to do with the monies being taken out of Canaccord.</p>			

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	<p>MJ Clarke Willmott started as an investigation and as soon as a solicitor got involved it costs money to get it sorted out.</p> <p>JC so you knew it was going to cost more to which MJ said that he said at the time that it will be more as soon as solicitors get involved.</p> <p>GH asked what would've happened if the society's maximum spend was 15k and couldn't pay any more and felt that Clarke Willmott should have informed the society of costs involved.</p> <p>JC said that the number of solicitors involved was silly.</p> <p>SC felt that the investigators let the interviewees go on and on.</p> <p>There were complaints that not all council had seen the invoices before others.</p> <p>MS said that when the meeting was held to discuss taking 30k out of investments nobody at the meeting questioned it.</p> <p>JC commented that the most expensive solicitor has been used.</p> <p>MJ the reason Clarke Willmott was chosen is that they have charity experience, but I do agree the cost is extortionate.</p> <p>PA said the bills are what they are.</p> <p>PS said the Fenton and Hall case has cost more and those monies came out of the cash flow.</p> <p>PS made his feelings known here as to how he has been made to feel.</p> <p>MJ proposed and DM seconded to sign off the invoices and to take the money out of the investments.</p> <p>PS said that anything legal he will send around the board as he is not making a decision and all agreed.</p> <p>JC in Mervyn Richmond report it infers that we are a fraudulent society .</p> <p>PA I don't think Mervyn is referring to the society.</p> <p>MJ asked if JC had heard from James.</p> <p>JC to be fair membership do not know why they have been removed from membership of the society.</p> <p>MJ said that if told then it would open a can of worms.</p>			
10.0	<p>5 year strategy paper to be approved</p> <p>PS I am looking to get peoples feedback and to see if they want to change anything.</p>			

Item	Agenda Item	Action	Due date for completion	
	<p>SC asked as to how the society is going to roll it out as felt that it needs to be broken down into bitesize pieces. There were further discussions that took place, and it was decided to put a working group together to put final tweaks to it and produce a final document. JC, DM, PA and AM agreed to be part of the working group. PS said he will set up a meeting after the Royal Welsh Show.</p>	<p>To work with small group on changes</p>	<p>31/08/2024</p>	<p>31/08/2024</p>
<p>11.0</p>	<p>Naomi Williams-Roberts exit meeting report</p> <p>JC the reason this came about is because I emailed Naomi to wish her well and said what a good job she has been doing. Naomi replied by saying that she would like an exit meeting. At the Royal Three Counties Show she spoke to SC and reiterated that she wanted an exit meeting. JC said that she gave her the choice of who she wanted for the exit meeting, and she chose myself and SC. SC sent Naomi a list of questions to be asked. JC spoke to Croner for their advice and within the contents of summarisation they have made a suggestion that it gets investigated but it is up to the board as to whether they want to pursue it or not. JC said that Croner recommends keeping it confidential from those mentioned and not to disclose the transcript at this point.</p> <p>MS I don't know what we can do as we can't see the allegations.</p> <p>SC a member of staff undermining makes you jump to the conclusion that it is all negative and it is not to which MS said that if it was positive then you would tell us.</p> <p>JC It is up to the board as to whether to investigate or not.</p> <p>MS did Naomi actually ask to have an exit meeting and when was this in comparison to handing in her notice.</p> <p>JC I took her at face value.</p> <p>SC we have had two women leave under the current management and when someone leaves quickly we should ask why as if there are things that need to be discovered then we need to look at them.</p> <p>There was then a discussion about MJ and SC telephone conversations.</p> <p>JC said that as there is a high turnover of staff then it should be investigated and proposed for an investigation and this was seconded by SC and a vote took place and it was decided no investigation would take place.</p>			

Item	Agenda Item	Action	Due date for completion	
12.00	<p>World Hereford Conference 2028 – to confirm the organising committee</p> <p>Josh Dowbiggin has requested to be added to the list David Makin has also requested to be added to the list There was a question asked about Josh as to whether he was throwing in his hat for his own interest or for the benefit of the society. PS said that a conversation needs to be had with him. Larry Feeney WHC Secretary would like an outline of how the Conference is going to be run. So the group needs to produce dates and ideas. It was proposed by MS and seconded by MJ that DM gets added to the list.</p>	To let Josh know he is not on the committee	20/07/2024	20/07/2024
13.00	<p>Management letter to be “C” for the period 1st July 2024 – 30th June 2025</p> <p>This has already been done due to the lateness of the council meeting</p>			
14.0	<p>• Membership - To elect new members.</p> <p>A list of new members had been previously circulated to Council members. GH proposed and AM seconded that the new members be duly elected.</p>			
15.0	<p>Calf de-registrations – do we move to a fairer system of percentage rather than a maximum of 5</p> <p>Discussed earlier on in meeting.</p>			
16.0	<p>Complaints procedure .</p> <p>PS highlighted that we haven’t got one SC asked can we insist that any complaints are in writing and more work needs to be done on it. After a discussion was held it was decided for PS to go away and speak to Croner.</p>	PS to follow up	31/08/2024	31/08/2024

Item	Agenda Item	Action	Due date for completion	
17.00	<p>Ripple - to discuss how we move forward</p> <p>British Herefords Web site development</p> <p>PS In the forecast we have budgeted 24k as we currently pay a retainer of 2k per month. We have now got something like 157 names on the new database and trying to get more commercial breeders. We have also produced videos which were shared in Hereford Happenings and going forward we are going to have to spend money as we need to do a website – cost will be 8 – 10k so this is where we are up to. JC the first quote was £8875 and that was to be staggered payments – 40%, 30% after the build and 30% on launch. The process would take approximately four months.</p> <p>PS At the moment there was James, Paul and Jackie on the committee but now there is only Paul and Jackie so if anyone would like to join then please put your name forward. Feel that Ripple have done some fantastic work and it is now up to council as to how it continues. My personal view is to work hard with the commercial finishers as in the past we haven't targeted that sector.</p> <p>Meetings are usually on a Thursday @ 10.00 am in the morning. MJ said he would join and GH also said that he would join.</p> <p>PS Are council happy to get on with the website as we need it as we cant leave it as a landing page.</p> <p>JC We do need a website for the ones that have already joined.</p> <p>PS The assets are there and we need to start and get videos out as we move forward.</p> <p>It was agreed to go forward with the website and this was proposed by MS and seconded by AM.</p>			
18.0	<p>Any Other Business</p> <p>Canaccord letter – already discussed asking them to attend the May and September meetings.</p> <p>J Edwards letter – RE Heifer purchase at Designer Genes Sale and died within three months of having her. PS said that NBA are reviewing their warranties and there was a meeting to be held in August where they would be discussing this.</p>	PS to write a	31/07/2024	31/07/2024

Item	Agenda Item	Action	Due date for completion	
	<p>Delegates to Argentina – PS proposed that the Chairman and President attend, It was decided to wait until all of the costings have come through and PS to email council with the costings and for them to decide.</p> <p>Fred Hawkes letters - PS to write a letter saying that Herd Managers/Stockmen are allowed to represent a herd.</p> <p>PA We have two grant applications:</p> <p>North of England South West of England</p> <p>Which were both approved by being proposed by AM and seconded by SC</p> <p>MS gave a brief update on UKHY saying that the event held at Jimmy Hodge (Fellowhills) herd was well attended. The interviews for the UKHY team will be held in the Society’s offices in October,</p> <p>There is one thing that they are worried about is the distance and time away for these youngsters and would there be a possibility of sending a reserve in case one becomes sick. JC went on to say that they all raised money themselves last time.</p> <p>PS need to get flight costings before it could be decided about the additional one.</p> <p>PS said that he was going to invite Les Cook to the September meeting.</p> <p>PS gave an update on Staff due to Naomi leaving: Steve Rivers is taking on more responsibility for website and Breed Journal</p>	<p>response</p> <p>PS to send costings</p> <p>Letter to Fred Hawke</p>	<p>31/07/2024</p> <p>31/07/2024</p>	<p>31/07/2024</p> <p>31/07/2024</p>

Item	Agenda Item	Action	Due date for completion	
	<p>Emma Edwards 5 hours per week on social media and writing show reports, sale reports and features for the breed journal.</p> <p>Any other marketing work is shared between the team at Hereford House.</p>			