

COMPANY NUMBER 02931640
CHARITY NUMBER 1039397

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
31 DECEMBER 2020

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

CONTENTS	PAGE
Annual Report of the Directors	1
Independent Auditor's Report to the Members	11
Consolidated Statement of Financial Activities	15
Consolidated and Company Balance Sheets	16
Consolidated Cash Flow Statement	18
Notes to the Consolidated Financial Statements	19

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020

The directors of the charitable company (“the Society”) are its trustees for the purposes of charitable law and throughout this report are collectively referred to as the directors.

The directors submit their report and audited financial statements for the year ended 31 December 2020. The directors’ report also represents the trustees’ report required by Part 8 of the Charities Act 2011.

OBJECTIVES AND ACTIVITIES

OBJECTIVES

The charitable objectives of the Society are the encouragement of agriculture, manufacture, commerce and rural crafts.

ACTIVITIES

The Society continues to have three main workstreams, each contributing to the charitable objectives:

1. The Royal Bath & West of England Society – responsible for the delivery of the charitable activities of the Society and regeneration and development of the Showground.
2. Bath and West Shows Limited – responsible for organising the Agricultural Shows.
3. Bath & West Enterprises Limited – responsible for the commercial activity on the Showground.

The business model remains quite simple; the net trading surpluses from our Shows and other Showground activity maintain the Society’s estate and invests in projects that deliver the charitable objectives – the encouragement of Agriculture, Manufacture, Commerce and Rural Crafts through education and knowledge transfer. The capital realised by releasing land for commercial development provides investment to improve the infrastructure and building stock on the Showground and to support other initiatives that further the Society’s objectives.

The Society’s business plan 2017-2020 entitled “At the Hub of Rural Enterprise & Innovation” aspires to position the Society as a hub of rural enterprise across Somerset and the West of England with 5 core objectives:

1. Accentuate the delivery of our Charitable objectives.
2. Improve our financial performance.
3. Deliver nationally respected and financially strong Agricultural Shows.
4. Increase revenues from the Showground.
5. Release capital by driving forward development activity.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

ACTIVITIES (CONTINUED)

At the start of 2020 a Trustee and Senior Managers' Strategy Day took place to start to map out what the next 4 years for the Society might look like. However, by March 2020 these aspirations were put on hold due to the outbreak of the COVID19 pandemic and lie in abeyance until such time as it is clear what the future holds for large-scale public events, either hosting its own events or facilitating others to organise events on the showground.

Our mission remains:

As a rural Charity and through the work within the new Rural Enterprise Centre we will be recognised as a key influencer and educator in a range of farming, food and rural issues and be regarded as being at the hub of rural enterprise in Somerset and the West of England.

Our core values are important to us:

- Honesty & Integrity;
- Loyalty & Respect;
- Excellence & Pride; and
- Creativity & Innovation

PUBLIC BENEFIT

In setting the objectives and planning the activities the Directors have considered the Charity Commission's general guidance on public benefit. The Directors consider how planned activities will contribute to the aims and objectives they have set.

Accentuate the delivery of our charitable objectives

The Charity Committee Fund supports projects closely allied to the Society's charitable objectives and the Society would normally allocate 10% of the unrestricted surplus (excluding any capital disposals) per year to the fund. In light of the forecast loss for 2020 and ongoing COVID19 restrictions, in 2020 an appeal was launched which raised £27k, which has been added to the Charity Committee Fund and disclosed in note 17.

The Committee's objectives are:

- To encourage and facilitate research, education, knowledge transfer, innovation and related activities for the benefit of agriculture, the countryside and the rural economy of the West of England;
- To build an understanding of farming, food and the rural economy among the wider public

The following priorities have been achieved under these themes:

1. Education of Young People (under 25 yrs old)
2. Industry Knowledge Transfer and Innovation predominantly through the Rural Enterprise Centre
3. Awards and Scholarships
4. Library & Archives Committee continue to act as custodians of the Society's archives

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS

Improve our financial performance

Unfortunately, due to the incomparable negative impacts of COVID19, the financial position of the Society has been hit badly.

The Society was not able to host either of its flagship events, The Royal Bath & West Show or The Dairy Show. This resulted in sunk costs of £91k & £22k respectively. However, some of our traders and sponsors agreed to roll-over their funds to 2021, which was beneficial to cash flow.

The Showground was equally hit hard by cancellations of events from March 2020 until year-end except for three events that were able to run in late August, September and December when COVID19 restrictions had been temporarily relaxed.

Lettings to permanent tenants have provided a regular source of income, with the Rural Enterprise Centre being fully let at year end. Across the site, the Society has a wide range of other tenants whose activities include: charity, food & drink, warehousing, catering, events, music & education.

Management of overheads during the pandemic has been one of the key focuses for the year, with the following actions being taken:

- Furloughing of staff – £148k of furlough claims made in 2020
- Reduction of staff numbers from 22 to 13 – with annual gross salary savings of £241k
- Business rates holiday for 9 months – saving £24k in 2020
- Reducing other overheads – saving over £200k in 2020 compared to 2019

Against this backdrop, the Society and its subsidiaries achieved a consolidated turnover of £700k (£2019 - £3.1m), expenditure of £1.6m (2019 - £.3m) and a loss prior to investment property revaluation of £906k (2019 - £152k loss).

Even in financially challenging times, the reputation of the Society continues to be strong, driven not least through our relationship with a number of external stakeholders and delivery partners such as "Innovation For Agriculture" (IfA), Somerset Mental Health in Agriculture Group (SMHAG), Linking Environment and Farming (LEAF) and the Academy of Cheese.

The Society continues to influence the Show community through the Association of Show and Agricultural Organisations (ASAO). We remain members of the Royal Agricultural Society of the Commonwealth (RASC) and the European Federation of Agricultural Exhibition and Show Organisers (EURASCO) making sure we influence internationally through these Commonwealth and European bodies. Locally we support the business community by remaining active founding members of the Somerset Chamber of Commerce.

Deliver nationally respected and financially strong Agricultural Shows

The Royal Bath & West Show and **The Dairy Show** were not able to run in 2020. This is only the second time since 1852 (with the exception of the War Years) that the Royal Bath & West Show has not taken place and the first time in the 40-year life of The Dairy Show that this event has been cancelled.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

ACHIEVEMENTS, PERFORMANCE AND FUTURE PLANS (CONTINUED)

Increase revenues from the Showground

Commercial activity on the Showground should provide an important income stream to support the charitable objectives of the parent company. However, COVID19 restrictions led to the cancellation of the programme from March 2020 until the year end, with the exception of a handful of events that were run during the temporary relaxation of COVID19 regulations.

Income from commercial lettings was £227k (2019 - £662k), whilst combined income from catering, room hire & refreshments was £93k (2019 - £191k).

Due to the lack of events on the Showground, income from the Wessex Pavilion in 2020 was limited. However, the tenant continued to pay a proportion of the rent due, with the Society granting a rent holiday for the last three months of the year.

The four-year maintenance and refurbishment plan has seen further contraction in 2020 due to COVID19, but we were able to invest £58k in the spring of 2020 on the Theatre to bring it up to date and become another viable commercial letting space when COVID19 restrictions are lifted.

Release capital by driving forward development activity

The economic uncertainty caused by the COVID19 pandemic negatively impacted potential development activity. Whilst initial discussions were held with an interested party in 2020, these plans were then put on hold. However, in early 2021 another party has expressed an interest in investing in the site and is in discussions with the development partner Red Kite Securities Limited. There is no certainty that this approach will lead to a transaction.

2021 Trading Conditions

Looking ahead, 2021 will continue to be financially challenging and will be impacted by the timing of the relaxation of COVID19 restrictions. We are currently anticipating some low levels of activity on site from April-June 2021, with increasing levels of activity from July 2021 onwards. Whilst we anticipate a further loss during 2021, we have a £1.1m loan facility available if required. Should restrictions continue into 2022 then, if necessary, we would approach lenders for an increase in loan facilities given the significant assets held by the Society to act as security.

2020 was to have seen the development of a new business plan, but COVID19 meant that cash management had to take priority over medium term planning. However, Directors are aware that as the country comes out of the pandemic, they will need to revisit their aspirations and agree a strategy for the future. During this work the Directors will be mindful of the Charity Commission's Governance Code and the priorities described within it being: Organisational purpose; Leadership; Integrity; Decision-making and risk control; Board Effectiveness; Diversity and Openness and accountability.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

FINANCIAL REVIEW

The impact of COVID19 has had a fundamental impact on the performance of the business in 2020. Total income was only £700k (2019: £3.1m) and total expenditure was £1.6m (2019 - £3.3m). This led to a loss before investment property revaluation of £906k (2019 – loss of £152k).

Given that the last external valuation of the showground had been undertaken in 2014, the Directors commissioned a professional external valuation of investment properties by Cooper & Tanner in order to determine whether there had been any impairment to their carrying values. The Directors reviewed the report and decided to adopt a more cautious valuation, which resulted in an uplift in value of £258k, to a total of £3m (2019 - £2.742m).

Support costs reduced by £254k, largely due to control of overhead spend in the context of a deficit budget and COVID19 restrictions.

The consolidated cash balance decreased by £370k to an overdraft of £132k (2019: £238k). This was primarily due to cash spent on operating activities of £284k (2019: £303k cash generated) and capital expenditure of £87k (2019: £538k).

Consolidated unrestricted funds decreased to £5,446k (2019: £6,096k) and consolidated restricted funds increased to £78k (2019: £78k) as disclosed in note 17 to the accounts.

There are net current liabilities of £826k (2019: £168k). This includes £262k of trade stand funds held on account following the cancellation of the Bath & West Show and Dairy Show in 2020 and carried forward to the Country Festival in August 2021 and Dairy Show in 2021. It also includes £74k of sponsorship & £28k of advance ticket income carried forward to 2021. If required, there is a £1.1m loan facility with Handelsbanken which has yet to be drawn down.

RISK

The formation in 2015 of an Audit Committee that is independently chaired has created an additional risk management tool for the Society to provide appropriate checks to manage a range of risks that could affect the charity.

The principal risks to the Society had previously been the underperformance of its trading subsidiaries as well as adverse weather and animal disease that might cause the closure of all or some of our Shows. However, no one could have envisaged the impact of COVID19 on the business. COVID19 will continue to be the Society's biggest risk during 2021 as restrictions on activities and capacity, as well as public and exhibitor appetite to attend events, may impact on the financial viability of both our own shows and third-party events.

In order to mitigate financial risk, a full review of fixed costs has been undertaken, including a staffing review. Three posts that were about to become vacant were not filled and sadly a further six members of staff were made redundant during the year. We are very grateful for their service during their time with the Society. Most remaining staff were placed on furlough from the beginning of April 2020 and all have been on flexible furlough since July 2020.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

RISK (CONTINUED)

In addition, efforts have been made to diversify income streams to mitigate risk, particularly through ensuring as much of the Showground buildings as possible are let. Early in 2021 the Showground opened as a coronavirus vaccination centre for the NHS. As well as being proud to be able to support the NHS and the local community, this has also led to increased revenues for the Society, albeit at a much-reduced rate to those charged to commercial entities.

Due to the impact of the pandemic, additional funding was secured from Handelsbanken in 2020, comprising an increase in the overdraft to £250k as well as a £1.1m loan facility. As at the 2020 year-end, it had not been necessary to draw down on the loan and so this facility remains available for use in 2021 if required.

Although trading is expected to be suppressed in 2021 due to the continued impact of COVID19, given the availability of funding from Handelsbanken the Board believe it is appropriate to continue to adopt the going concern basis for the preparation of the accounts.

RESERVES POLICY

The normal reserves policy is to cover the risk of inclement weather and any unplanned repairs and maintenance. The level of reserves should be sufficient to cover at least 3 months of overhead costs of the Society and target liquid reserves are £500k.

During 2020 reserves were heavily impacted by the COVID19 pandemic. This meant that the reserves of the Society freely available to be spent in furtherance of its charitable objectives decreased to a deficit of £970k (2019: deficit of £279k) as disclosed in note 18 to the accounts. This amount is currently below our target as we build funds to help recover from the impact of COVID19 as well as deliver capital projects to improve our facilities in order to generate sustainable surpluses to protect the delivery of our charitable objectives.

DESIGNATED FUNDS

The Charity Committee Fund supports projects closely allied to the Society's charitable objectives and meets as necessary during the year to oversee the allocation of monies. The Society would normally allocate 10% of the unrestricted surplus (excluding any capital disposals) per year to the fund. In light of the forecast loss in 2020 and ongoing COVID19 restrictions, in 2020 an appeal was launched which raised £27k, which has been added to the Charity Committee Fund and disclosed in note 17.

The Young People's Fund raises money from cheese sales at the Royal Bath & West Show for charitable giving and is administered by the Dairy Produce Committee but, as this event did not take place, this fund was not added to in 2020.

The Infrastructure Upgrade Fund represents a commitment to pay the Society's development partner £150k for the upgrade of showground infrastructure during the course of development of which £50k was paid in 2016, and the remainder is due within the term of the development agreement.

The funds are disclosed in note 17 to the accounts.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

TANGIBLE FIXED ASSETS AND INVESTMENT PROPERTY

Investment property consists of land in the development zones of the Showground site. The land is stated at fair value. Any gains or losses arising from valuations or disposals are recognised in the statement of financial activities in the year in which they occur.

Given that the last external valuation of the showground had been undertaken in 2014, the Directors commissioned a professional external valuation of investment properties by Cooper & Tanner in order to determine whether there had been any impairment to their carrying values. The Directors reviewed the report and decided to adopt a more cautious valuation, which resulted in an uplift in value of £258k, to a total of £3m (2019 - £2.742m).

Information relating to the changes in tangible fixed assets and investment property is given in Note 9 and Note 10 to the financial statements. Capital commitments as at 31 December 2020 are disclosed in Note 19.

STRUCTURE, GOVERNANCE AND MANAGEMENT

The Society is a charitable company Limited by Guarantee without share capital, the guarantors being the council members to the extent of £1 each. There were 149 (2019: 144) council members at the balance sheet date.

The governing documents of the Society are the Memorandum and Articles of Association dated 23 May 1994 with subsequent amendments agreed on 18 November 1999, 19 February 2004, 16 February 2006 and 16 September 2010. These documents are supported by the Byelaws of the Society which govern the operation of the Society in more detail.

The business of the Society is managed by the directors who may exercise all the powers of the Society. The directors are appointed by the Society at the annual general meeting or by the directors although, if appointed by the directors, the director can only hold office until the next annual general meeting. The directors usually meet four times a year. At every annual general meeting directors retiring by rotation may be re-elected.

There is a regular review of the structure of the directors of the Society. This involves a skills review as well as a review of each director's responsibilities across the Society. When a requirement is identified, a review is made to recruit directors from within the council and volunteer structure of the Society. However, for certain more specialist skills advice is sought externally.

The Society has formal procedures for the induction and training of directors and members. All new members and directors receive a training and information briefing prior to their first council or board meeting. Directors' training takes place as appropriate in addition to an annual away day for the board when they review many aspects of the Society.

The annual general meeting comprises full council members and vice presidents. The membership has three representatives on the council of the Society and has an annual members' meeting. The members' representatives are governed by the Byelaws.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

Nominations for council membership have to be approved by the directors. Council members are admitted at any general meeting. General meetings are held three times a year. The Society must hold one general meeting as an annual general meeting in each calendar year. General meetings other than the annual meeting are called extraordinary general meetings.

The day to day running of the Society is usually delegated to the Chief Executive and in turn the Senior Managers. The Chief Executive reports to the Directors who approve his or her, and senior management remuneration and any annual changes. Annual appraisals are carried out for all staff with any relevant financial and non-financial targets set. Following the resignation of Rupert Cox as Chief Executive in January 2021, the day to day running of the Society has been delegated to the Senior Managers, who are each overseen by a Trustee mentor with whom they have regular contact.

An independently chaired Audit Committee provides appropriate checks to manage a range of risks that could affect the charity.

The Society relies upon a large number of volunteer members who meet regularly to discuss and deliver its charitable activities. Volunteers are supervised by the Chief Stewards

RELATED PARTIES

The Society owns 100% of the share capital of Bath & West Enterprises Limited. The principal activities of which is the commercial letting of the showground site, event management and the provision of catering services.

The following directors of The Royal Bath & West of England Society were also directors of Bath & West Enterprises Limited during the year:

R W Ash – resigned 1 st July 2020	Dr L S Moir
R N F Drewett DL	M Thatcher
M J Felton	Mrs A B Yeoman OBE DL

The Society owns 100% of the share capital of Bath and West Shows Limited. The company organises the charitable shows of The Royal Bath & West of England Society and in particular carries out only such activities as are in furtherance of the charitable objectives.

The following directors of The Royal Bath & West of England Society were also directors of Bath and West Shows Limited during the year:

J Alvis OBE	R N F Drewett DL
R W Ash – resigned 1 st July 2020	A Gibson OBE

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

REFERENCE AND ADMINISTRATIVE DETAILS

Charity Name	The Royal Bath & West of England Society
Charity Number:	1039397
Company Number:	02931640
Directors:	R N F Drewett DL – Chairman J Alvis OBE – Vice Chairman Dr L S Moir – Honorary Treasurer R W Ash – resigned 1 st July 2020 R T Calver – resigned 1 st July 2020 M J Felton A Gibson OBE Mrs C R Look M Thatcher R W Uloth Sir David Wills Bt Mrs A B Yeoman OBE DL
Chief Executive:	G R Cox – resigned 31 st January 2021
Registered Office:	The Showground Shepton Mallet Somerset BA4 6QN
Auditor:	PKF Francis Clark Chartered Accountants and Statutory Auditor Blackbrook Gate 1 Blackbrook Business Park Taunton Somerset TA1 2PX
Bankers:	Handelsbanken Bishopbrook House Cathedral Avenue Wells BA5 1FD

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors (who are also the trustees of the charitable company for the purposes of charity law) are responsible for preparing the Annual Report of the Directors and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and the Group and of the incoming resources and application of resources, including the income and expenditure, of the Group for that year.

In preparing these financial statements the directors are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

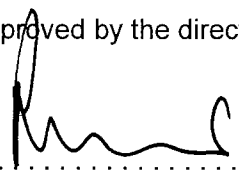
The directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Society and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding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

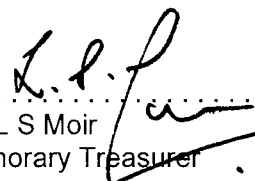
In so far as the directors are aware:

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Society's website.

Approved by the directors on 01 APRIL 2021 and signed on their behalf by:


.....
R N F Drewett DL
Chairman


.....
Dr L S Moir
Honorary Treasurer

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED 31 DECEMBER 2020

Opinion

We have audited the financial statements of The Royal Bath & West of England Society (the 'Charitable Parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2020, which comprise the Consolidated Statement of Financial Activities, the Group and Company Balance Sheets, the Consolidated 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, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group and Charitable Parent Company's affairs as at 31 December 2020 and of the Group's incoming resources and application of resources, including 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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

We draw attention to note 2 in the financial statements, which indicates that, due to the on-going impact of the coronavirus pandemic and the resultant Lockdown measures introduced in the UK during 2020 and 2021, the ability of the Group to host events at its Showground has been limited. As stated in note 2, these events or conditions, along with the other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the Group and parent company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

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

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the Group and the Charitable Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

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

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 10, the directors 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 directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

In preparing the financial statements, the directors are responsible for assessing the Charitable Parent 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 directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the Group. We gained an understanding of the industry in which the Group operates as part of this assessment to identify the key laws and regulations affecting the Group. As part of this, we reviewed the Group's website for indication of any regulations and certification in place and discussed these with the relevant individuals responsible for compliance. The key regulations we identified were health and safety regulations and breaches of The General Data Protection Regulation ("GDPR"). We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006 and the Charities: Statement of Recommended Practice (SORP).

We discussed with management how the compliance with these laws and regulations is monitored and discussed policies and procedures in place. As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the Group's ability to continue operating and the risk of material misstatement to the accounts. We also evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements. Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements.
- Review of the group's GDPR policy and enquiries to the Data Protection Officer as to the occurrence and outcome of any reportable breaches.
- Reviewed legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

We assessed the susceptibility of the financial statements to material misstatement through management override or fraud, including in relation to cash income and expenditure, and obtained an understanding of the controls in place to mitigate the risk of fraud. We also discussed with management whether there had been any instances of known or alleged fraud, of which there were none. Based upon our understanding we designed and conducted audit procedures including:

- Audited the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.
- Reviewed estimates and judgements made in the accounts for any indication of bias and challenged assumptions used by management in making the estimates.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

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 auditor's report

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Nicholas Farrant BA MSc FCA (Senior Statutory Auditor)

PKF FRANCIS CLARK

Chartered Accountants and Statutory Auditor

Blackbrook Gate 1,

Blackbrook Business Park

Taunton

Somerset

TA1 2PX

Date: 24th APRIL 2021

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES
INCLUDING INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	Unrestricted Funds 2020 £'000	Restricted Funds 2020 £'000	Total Funds 2020 £'000	Unrestricted Funds 2019 £'000	Restricted Funds 2019 £'000	Total Funds 2019 £'000
INCOME							
Donations and legacies	5	175	-	175	2	-	2
Charitable activities		-	10	10	5	6	11
Other trading activities	4	363	-	363	2,942	-	2,942
Investments		1	-	1	1	-	1
Other		151	-	151	191	-	191
TOTAL INCOME	3,17	690	10	700	3,141	6	3,147
EXPENDITURE							
Expenditure on raising funds		777	-	777	2,575	-	2,575
Expenditure on charitable activities		821	8	829	715	9	724
TOTAL EXPENDITURE	3,17	1,598	8	1,606	3,290	9	3,299
NET (EXPENDITURE) / INCOME BEFORE GAINS ON INVESTMENT PROPERTIES		(908)	2	(906)	(149)	(3)	(152)
GAINS ON INVESTMENT PROPERTIES		258	-	258	-	-	-
NET (EXPENDITURE) / INCOME FOR THE YEAR AND MOVEMENT IN FUNDS		(650)	2	(648)	(149)	(3)	(152)
RECONCILIATION OF FUNDS:							
FUNDS BROUGHT FORWARD		6,096	76	6,172	6,245	79	6,324
FUNDS CARRIED FORWARD		5,446	78	5,524	6,096	76	6,172

The notes on pages 19 to 38 form an integral part of these financial statements.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED AND COMPANY BALANCE SHEETS
AS AT 31 DECEMBER 2020

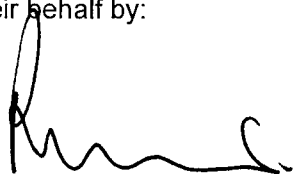
		Group	Group	Company	Company
	Note	2020	2019	2020	2019
		£'000	£'000	£'000	£'000
FIXED ASSETS					
Tangible Assets	9	3,350	3,598	3,350	3,598
Investment Properties	10	3,000	2,742	3,000	2,742
Investments	11	-	-	-	-
		6,350	6,340	6,350	6,340
CURRENT ASSETS					
Stock	12	18	21	18	21
Debtors	13	54	198	72	86
Cash at Bank and in Hand	14	1	238	1	51
		73	457	91	158
LIABILITIES:					
Creditors Falling Due Within One Year	15	(899)	(625)	(540)	(652)
NET CURRENT (LIABILITIES)/ASSETS		(826)	(168)	(449)	(494)
NET ASSETS		5,524	6,172	5,901	5,846

(continued on page 17)

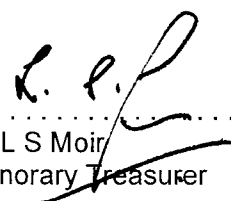
THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED AND COMPANY BALANCE SHEETS
AS AT 31 DECEMBER 2020 (CONTINUED)

		Group	Group	Company	Company
	Note	2020 £'000	2019 £'000	2020 £'000	2019 £'000
FUNDS					
Unrestricted Funds					
General Funds	17	5,365	5,659	5,689	5,659
Non-Charitable Trading Funds	17	(53)	326	-	-
Designated Funds	17	134	111	134	111
		-----	-----	-----	-----
		5,446	6,096	5,823	5,770
Restricted Funds	17	78	76	78	76
		-----	-----	-----	-----
TOTAL FUNDS		5,524	6,172	5,901	5,846
		-----	-----	-----	-----

The financial statements were approved by the directors on 01 APRIL 2021 and signed on their behalf by:



.....
R N F Drewett DL
Chairman



.....
Dr L S Moir
Honorary Treasurer

Company Registration Number: 02931640

The notes on pages 19 to 38 form an integral part of these financial statements.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2020

	Note	2020 £'000	2019 £'000
Cash flows from operating activities			
Net cash provided by operating activities	(a)	(284)	303
Cash outflows from investing activities:			
Interest received		1	1
Payments to acquire tangible fixed assets		(87)	(538)
		<hr/>	<hr/>
Cash used in investing activities		(86)	(537)
		<hr/>	<hr/>
Decrease in cash and cash equivalents		(370)	(234)
Cash and cash equivalents at 1 January		238	472
		<hr/>	<hr/>
Cash and cash equivalents at 31 December		(132)	238
		<hr/> <hr/>	<hr/> <hr/>

(a) Reconciliation of net income to net cash provided by operating activities

	2020 £'000	2019 £'000
Net expenditure for the year	(648)	(152)
Interest receivable	(1)	(1)
Depreciation charge	335	340
Gain on revaluation of investment properties	(258)	-
Decrease in stock	3	1
Decrease in debtors	144	106
Increase in creditors	141	9
	<hr/>	<hr/>
Cash flows from operating activities	(284)	303
	<hr/> <hr/>	<hr/> <hr/>

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

1. COMPANY STATUS

The Company is a registered charity and a Company Limited by Guarantee incorporated in England and Wales, without share capital. The address of the registered office is The Showground, Shepton Mallet, Somerset, BA4 6QN. The guarantors are the council members to the extent of £1 each. There were 149 (2019: 144) members at the balance sheet date.

2. ACCOUNTING POLICIES

The principal accounting policies adopted, judgements and key sources of estimation uncertainty in the preparation of the financial statements are as follows:

The financial statements have been prepared in accordance with Accounting and reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Royal Bath & West of England 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).

All amounts stated in these financial statements are expressed in round thousands, unless specifically denoted as being displayed to another basis.

The accounts are presented in sterling which is also the functional currency of the Group.

Group financial statements

The financial statements consolidate the results of the charity and its wholly owned subsidiaries, Bath & West Enterprises Limited, Bath and West Shows Limited, Bath and West Estates Management Company Limited, and British Cheese Awards Limited on a line-by-line basis.

A separate Statement of Financial Activities and Income and Expenditure Account for the Company has not been presented because the Company has taken advantage of the exemption afforded by section 408 of the Companies Act 2006.

The Charity meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its individual financial statements. Exemptions have been taken in relation to financial instruments, presentation of a cash flow statement and remuneration of key management personnel. Equivalent information is presented in relation to these group accounts.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

2. ACCOUNTING POLICIES (CONTINUED)

Going concern

In the light of the ongoing COVID19 pandemic, combined with consolidated net current liabilities of £826k (2019: net current liabilities of £168k) as at 31 December 2020, the directors have given consideration to the impact of the coronavirus on the operations and financial position of the Group.

Measures already undertaken since the first lockdown in March 2020 include a full review of fixed costs, including a staffing review which has meant that staffing levels reduced from 22 to 13 posts in 2020. Early in 2021 the Showground opened as a coronavirus vaccination centre for the NHS. As well as being able to support the NHS and the local community, this has also led to increased revenues for the Society, albeit at a much-reduced rate to those charged to commercial entities.

Due to the impact of the pandemic, additional funding was secured from Handelsbanken in 2020, comprising an increase in the overdraft to £250k as well as a £1.1m loan facility. As at the 2020 year-end, it had not been necessary to draw down on the loan and so this facility remains available for use in 2021 if required.

A detailed cash flow forecast has been prepared for the period to June 2022, which is more than 12 months from the date of approval of the accounts. This assumes that there will be some low levels of activity on site from April – June 2021, with levels increasing from July 2021. The forecast reflects the current bookings and may be subject to cancellation / postponement should there be a delay in the lifting of COVID restrictions.

The forecast also assumes that we will be able to hold the Country Festival in August 2021, the Dairy Show in October 2021 and the Bath & West Show in June 2022.

Whilst the forecast does anticipate the need to draw down part of the £1.1m available loan facility, there should be sufficient headroom in order to deal with the impact of further COVID restrictions if the government road map is extended. Should restrictions continue into 2022 then, if necessary, we would approach lenders for an increase in loan facilities given the significant assets held by Society to act as security.

Based on the above, whilst recognising that there can be no certainty, the directors are satisfied that the group and company will continue to operate with sufficient cash headroom and, therefore, it is appropriate to continue to adopt the going concern basis in the preparation of the accounts.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described above, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

2. ACCOUNTING POLICIES (CONTINUED)

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The key judgement that has a significant impact on the financial statements is in respect of going concern, as described above, particularly in the light of ongoing COVID19 restrictions.

The key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

The directors have considered the proportion of the freehold land which is considered to be held for development, and consequently disclosed as development properties, and have allocated this to investment properties according to the proportion of land which is intended to be sold.

Investment properties are stated at fair value. The directors' estimate of fair value is based upon valuations provided by external, independent valuers, each of whom have an appropriate recognised professional qualification and relevant experience. The carrying value of investment properties at the balance sheet date is £3.0m (2019: £2.7m) as shown in note 10. Given the trading conditions relating to COVID further key judgements are the valuations of investment properties & freehold land and the potential need for any impairment. As explained above, the Directors commissioned an external professional valuation to support their valuation which shows no requirement for an impairment.

Key management personnel are considered to be the directors and senior management team. Key management personnel comprised 6 individuals in 2020: Chief Executive, Chief Financial Officer (from Jan 2020 – primarily covered by consultant in 2019), Commercial Enterprise Manager, Head of Estates (from Jan 2020 following internal promotion), Head of Marketing (from Jan 2020 – Nov 2020) & Head of Shows. As trustees, the directors are not remunerated.

Incoming Resources

Income is recognised when the Group has entitlement to the funds, any performance conditions attached to the item(s) of income have been met, it is probable that the income will be received and the amount can be measured reliably.

Income from government and other grants, whether 'capital' grants or 'revenue' grants, is recognised when the Group has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred.

Revenue from lettings is recognised on provision of the letting or service to the customer in the period to which it relates.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

2. ACCOUNTING POLICIES (CONTINUED)

Revenue from shows is recognised during the period in which the relevant show takes place.

Resources Expended

Resources expended are accounted for in the period in which they are incurred.

Certain expenditure is directly attributable to specific activities and has been included in those cost categories. Certain other costs, which are attributable to more than one activity, are apportioned across cost categories on the basis of an estimate of the proportion of time spent by staff on those activities.

Support costs are those costs incurred in support of expenditure on the charitable activities of the Group.

Grants are payments the Company makes voluntarily to other institutions or individuals in order to further its objectives. They are charged to the Statement of Financial Activities in the period in which they are payable.

Tangible Fixed Assets and Depreciation

Tangible fixed assets costing more than £1,000 are capitalised and included at cost (including any incidental expenses of acquisition).

Depreciation, calculated on the straight-line method, is provided to write off the cost less estimated residual value of the fixed assets over the course of their useful lives, except for freehold land which is not depreciated. The rates during the period were as follows:-

Showground Buildings and Improvements	2% - 10%
Plant, Implements, Furniture and Fixtures	20% - 25%
Motor Vehicles	25%

Investment Properties

Properties intended for development and sale are included as investment properties. Investment properties are stated at fair value. Any gains or losses arising from valuations or disposals are recognised in the statement of financial activities in the year in which they occur.

Stocks

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

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

2. ACCOUNTING POLICIES (CONTINUED)

Cash at Bank and in Hand

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

Pension Costs

The Group contributes to a defined contribution pension scheme, the assets of which are held separately from those of the Group. The scheme is independently administered. Contributions are charged to the statement of financial activities as they fall due in accordance with the scheme rules.

Operating Leases

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

Fund Accounting

General funds are unrestricted funds which are available for use at the discretion of the directors in furtherance of the Group's objectives and which have not been designated for particular purposes.

The non-charitable trading funds are the funds of the subsidiary companies, Bath & West Enterprises Limited and Bath & West Shows Limited.

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

Restricted funds are funds which are to be spent in accordance with specific restrictions imposed by donors. The aim and use of each restricted fund is set out in the notes.

Financial Instruments

The Group only has financial assets and financial liabilities that qualify as basic financial instruments, being trade and other debtors and creditors, and cash and bank balances.

Basic financial instruments are initially recognised at transaction value and are subsequently measured at their settlement value. Any losses arising from impairment ('doubtful debts') are recognised in the statement of financial activities.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

3. ANALYSIS OF ACTIVITIES

	2020						2019			
	Income	Direct Costs	Support costs	Gains on Investment Properties	Transfers	Surplus/(deficit)	Income	Direct Costs	Support costs	Surplus/(deficit)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted/Designated										
Membership and education	52	(5)	(181)	-	-	(134)	54	(30)	(184)	(160)
Other Showground income	186	-	(636)	258	324	132	144	-	(501)	(357)
Bath and West Shows Ltd	91	(135)	(506)	-	(17)	(567)	1,920	(1,312)	(591)	17
Bath & West Enterprises Ltd	361	(54)	(81)	-	(307)	(81)	1,023	(290)	(382)	351
Unrestricted total	690	(194)	(1,404)	258	-	(650)	3,141	(1,632)	(1,658)	(149)
Restricted										
South West Growth Fund	-	-	(3)	-	-	(3)	-	-	(3)	(3)
Rural Development Programme for England	-	-	(3)	-	-	(3)	-	-	(3)	(3)
Field to Food Learning Day	10	-	-	-	-	10	6	-	(3)	3
Other	-	-	(2)	-	-	(2)	-	-	(3)	(3)
Restricted total	10	-	(8)	-	-	2	6	(9)	-	(3)
Total	700	(194)	(1,412)	258	-	(648)	3,147	(1,632)	(1,667)	(152)

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

4. TRADING SUBSIDIARIES

Bath & West Enterprises Limited

The Company has a wholly owned trading subsidiary, Bath & West Enterprises Limited (Registered Company Number 02891950), which is incorporated in England and Wales. The registered office is The Showground, Shepton Mallet, Somerset, BA4 6QN. Bath & West Enterprises Limited carries out the non-primary charitable purpose trading activities, namely the commercial letting of the showground site, event management and the provision of catering services. A summary of its results is shown below:

	2020	2019
	£'000	£'000
Turnover	361	1,023
Cost of Sales	(54)	(290)
	<hr/>	<hr/>
Gross Profit	307	733
Administrative Expenses (excluding rents payable to parent company)	(81)	(381)
	<hr/>	<hr/>
Profit on Ordinary Activities Before Rent	226	352
Rent Due to Parent Company	(54)	(216)
	<hr/>	<hr/>
Profit on Ordinary Activities	172	136
	<hr/>	<hr/>
Distribution paid to Parent Company	307	-
	<hr/>	<hr/>
The aggregate of the assets, liabilities and funds were:		
	£'000	£'000
Assets	362	522
Liabilities	(270)	(294)
	<hr/>	<hr/>
	92	228
	<hr/>	<hr/>

Funds represent 2 ordinary shares of £1 each (2019: 2 ordinary shares of £1 each) and the surplus on the profit and loss account of £92,165 (2019: £227,829).

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

4. TRADING SUBSIDIARIES (CONTINUED)

Bath and West Shows Limited

The Company has a wholly owned trading subsidiary, Bath and West Shows Limited (Registered Company Number 08680261), which is incorporated in England and Wales. The registered office is The Showground, Shepton Mallet, Somerset, BA4 6QN. Bath and West Shows Limited carries out a primary purpose charitable activity of running the agricultural shows of the Society. A summary of its results is shown below:

	2020	2019
	£'000	£'000
Turnover	91	1,920
Cost of Sales	(135)	(1,312)
	<hr/>	<hr/>
Gross (Loss) / Profit	(44)	608
Administrative Expenses	(506)	(591)
	<hr/>	<hr/>
(Loss) / Profit on Ordinary Activities	(550)	17
	<hr/>	<hr/>
Distribution paid to Parent Company	17	-
	<hr/>	<hr/>
The aggregate of the assets, liabilities and funds were:		
	£'000	£'000
Assets	11	318
Liabilities	(480)	(220)
	<hr/>	<hr/>
	(469)	98
	<hr/>	<hr/>

Funds represent 3 ordinary shares of £1 each (2019: 3 ordinary shares of £1 each) and the deficit on the profit and loss account of £468,293 (2019: surplus of £97,669).

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

5. INCOME FROM DONATIONS AND LEGACIES

	Group 2020 £'000	Group 2019 £'000
Donations	27	2
Coronavirus Job Retention Scheme (CRJS)	148	-
	<hr/>	<hr/>
	175	2
	<hr/> <hr/>	<hr/> <hr/>

All income from donations and legacies was unrestricted.

6. SUPPORT COSTS

	Group 2020 £'000	Group 2019 £'000
Wages and Salaries	678	703
Showground Costs (Facilities)	262	422
Showground Costs (Office)	87	146
Consultancy and Professional Costs	31	27
Finance Costs	6	12
Depreciation	335	340
Auditors remuneration	13	17
	<hr/>	<hr/>
	1,412	1,667
	<hr/> <hr/>	<hr/> <hr/>

The analysis of auditors' remuneration is as follows:

	Group 2020 £'000	Group 2019 £'000
Audit of these financial statements	4	4
Audit of financial statements of subsidiary companies	7	7
Accountancy services	2	6
	<hr/>	<hr/>
	13	17
	<hr/> <hr/>	<hr/> <hr/>

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

7. STAFF COSTS

	Group 2020 £'000	Group 2019 £'000
Wages and Salaries	579	621
Employer's National Insurance	54	56
Pension Costs	32	33
Redundancy Costs	13	-
	<hr/>	<hr/>
	678	710
	<hr/>	<hr/>

The average number of employees was:

	Group 2020	Group 2019
Charitable activities and show organisation	14	16
Site maintenance and development	5	6
	<hr/>	<hr/>
	19	22
	<hr/>	<hr/>

One member of staff had emoluments, excluding pension contributions, within the band £70,001 to £80,000 (2019: one, in the band £80,001 to £90,000). The contributions for the provision of retirement benefits under a money purchase pension scheme for staff within this band were £7,643 (2019: £8,702).

No remuneration was paid to the directors (2019: £Nil) and no expenses have been reimbursed (2019: £Nil).

Key management personnel comprised 6 individuals in 2020: Chief Executive, Chief Financial Officer (from Jan 2020 – primarily covered by consultant in 2019), Commercial Enterprise Manager, Head of Estates (from Jan 2020 following internal promotion), Head of Marketing (from Jan 2020 – Nov 2020) & Head of Shows.

The total remuneration of key management personnel was £276,097 (6 individuals). In 2019 it was £163,994 (3 individuals).

8. TAXATION STATUS

The Company is exempt from taxation due to its charitable status. The subsidiary companies are subject to corporation tax. However, profits are donated to the charity by way of tax-deductible distribution made within 9 months of the financial year end, and consequently there is no corporation tax payable.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

9. TANGIBLE FIXED ASSETS

GROUP AND COMPANY

	Freehold Land £'000	Freehold Showground Buildings & Improvements £'000	Plant, Implements, Furniture & Fixtures £'000	Motor Vehicles £'000	Total £'000
COST					
As at 1 January 2020	158	7,610	908	38	8,714
Additions	-	87	-	-	87
	-----	-----	-----	-----	-----
As at 31 December 2020	158	7,697	908	38	8,801
	-----	-----	-----	-----	-----
DEPRECIATION					
As at 1 January 2020	-	4,332	749	35	5,116
Charge for the year	-	273	60	2	335
	-----	-----	-----	-----	-----
As at 31 December 2020	-	4,605	809	37	5,451
	-----	-----	-----	-----	-----
NET BOOK VALUE					
As at 31 December 2020	158	3,092	99	1	3,350
	=====	=====	=====	=====	=====
As at 31 December 2019	158	3,278	159	3	3,598
	=====	=====	=====	=====	=====

The net book value at 31 December 2020 represents fixed assets used entirely for charitable purposes.

Whilst the accounting policy remains to include tangible fixed assets at cost, as at 31st December 2020, the Directors commissioned a professional external valuation of the land by Cooper & Tanner. This valued the land at £1.665m, compared to its historic cost of £158k.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

10. INVESTMENT PROPERTIES**GROUP AND COMPANY**

	Development Properties £'000
VALUATION	
As at 1 January 2020	2,742
Revaluation	258
As at 31 December 2020	3,000

The Directors commissioned a professional external valuation of investment properties by Cooper & Tanner on 31st December 2020. The Directors have reviewed the report and have decided to adopt a valuation resulting in an uplift in value of £258k to £3m.

11. FIXED ASSET INVESTMENTS**COMPANY**

The investments held by the Company are investments in subsidiary companies at a total cost of £6 (2019: £6).

Details of undertakings

Undertaking	Holding	Proportion of voting rights and shares held	
		2020	2019
<i>Subsidiary undertakings</i>			
Bath & West Enterprises Limited	Ordinary	100%	100%
Bath and West Shows Limited	Ordinary	100%	100%
Bath and West Estates Management Company Limited	Ordinary	100%	100%
British Cheese Awards Limited (+)	Ordinary	100%	100%

(+) Shares held by a subsidiary company.

Further information in respect of Bath and West Shows Limited and Bath & West Enterprises Limited is provided in note 4.

The principal activity of both Bath and West Estates Management Company Limited and British Cheese Awards Limited is that of a dormant company.

The registered office of each subsidiary company shown above is The Showground, Shepton Mallet, Somerset, BA4 6QN. Each subsidiary is incorporated in England and Wales.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

12. STOCKS

	Group 2020 £'000	Group 2019 £'000	Company 2020 £'000	Company 2019 £'000
Consumables	18	21	18	21

13. DEBTORS

	Group 2020 £'000	Group 2019 £'000	Company 2020 £'000	Company 2019 £'000
Trade Debtors	36	141	25	37
Other Debtors	1	1	1	1
Other Taxation and Social Security	-	-	30	19
Prepayments and Accrued Income	17	56	16	29
	54	198	72	86

14. CASH

	Group 2020 £'000	Group 2019 £'000	Company 2020 £'000	Company 2019 £'000
Cash at bank and in hand	1	238	1	51

Analysis of net debt

GROUP	At 1 Jan 2020 £'000	Cash flow £'000	At 31 Dec 2020 £'000
Cash at bank and in hand	238	(237)	1
Overdraft	-	(133)	(133)
Total	238	(370)	(132)

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

15. CREDITORS: Amounts falling due within one year

	Group 2020 £'000	Group 2019 £'000	Company 2020 £'000	Company 2019 £'000
Bank Overdraft	133	-	150	-
Trade Creditors	82	93	54	47
Amounts Due to Group Undertakings	-	-	278	522
Other Creditors	10	5	9	5
Other Taxation and Social Security	63	43	13	18
Accruals	37	63	26	50
Trade Stand Funds Held on Account (Note 16)	262	-	-	-
Deferred Income (Note 16)	312	421	10	10
	<hr/>	<hr/>	<hr/>	<hr/>
	899	625	540	652
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

16. DEFERRED INCOME

	Group 2020 £'000	Group 2019 £'000	Company 2020 £'000	Company 2019 £'000
Balance Brought Forward	421	246	10	13
Trade Stand and other Advanced Bookings Received	189	1,048	-	-
Rent Received	312	1,019	122	96
Membership Received	25	46	25	47
Released to Statement of Financial Activities	(373)	(1,938)	(147)	(146)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance Carried Forward	574	421	10	10
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Deferred income will be applied as follows:				
Trade Stand Funds Held on Account	262	-	-	-
Deferred Income	312	421	10	10
	<hr/>	<hr/>	<hr/>	<hr/>
Within 1 year	574	421	10	10
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

17. STATEMENT OF FUNDS

GROUP	As at 1 January 2020 £'000	Income £'000	Expenditure £'000	Transfers and Gains £'000	As at 31 December 2020 £'000
Unrestricted Funds:					
General Funds	5,659	211	(817)	636	5,689
Bath and West Shows Ltd	98	91	(641)	(17)	(469)
Bath & West Enterprises Ltd	228	361	(136)	(361)	92
Designated Funds:					
Charity Committee	7	27	(4)	-	30
Young People's Funds	4	-	-	-	4
Infrastructure Upgrade	100	-	-	-	100
Total Unrestricted Funds	<u>6,096</u>	<u>690</u>	<u>(1,598)</u>	<u>258</u>	<u>5,446</u>
Restricted Funds:					
Showering Pavilion Heating System	22	-	(2)	-	20
South West Growth Fund	38	-	(3)	-	35
Rural Development Programme for England (RDPE)	7	-	(3)	-	4
Field to Food Learning Day	-	10	-	-	10
Mendip DC REC F&D Grant	4	-	-	-	4
Mendip DC First Aid Grant	5	-	-	-	5
Total Restricted Funds	<u>76</u>	<u>10</u>	<u>(8)</u>	<u>-</u>	<u>78</u>
Total Funds	<u><u>6,172</u></u>	<u><u>700</u></u>	<u><u>(1,606)</u></u>	<u><u>258</u></u>	<u><u>5,524</u></u>

Transfers and Gains includes a gain on the revaluation of investment property of £258k (see Note 10). The remaining transfer between funds represents distribution of profits from the trading subsidiaries to the parent Company, as shown in Note 3. The transfer from Bath & West Enterprises Limited also includes an intercompany rent payment of £54k.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

17. STATEMENT OF FUNDS (CONTINUED)

GROUP	As at 1 January 2019 £'000	Income £'000	Expenditure £'000	Transfers £'000	As at 31 December 2019 £'000
Unrestricted Funds:					
General Funds	5,955	193	(685)	196	5,659
Bath and West Shows Ltd	81	1,920	(1,903)	-	98
Bath & West Enterprises Ltd	92	1,023	(671)	(216)	228
Designated Funds:					
Charity Committee	12	2	(27)	20	7
Young People's Funds	5	3	(4)	-	4
Infrastructure Upgrade	100	-	-	-	100
Total Unrestricted Funds	<u>6,245</u>	<u>3,141</u>	<u>(3,290)</u>	<u>-</u>	<u>6,096</u>
Restricted Funds:					
Showering Pavilion Heating System	24	-	(2)	-	22
South West Growth Fund	41	-	(3)	-	38
Rural Development Programme for England (RDPE)	10	-	(3)	-	7
Mendip DC REC F&D Grant	4	-	-	-	4
Mendip DC First Aid Grant	-	6	(1)	-	5
Total Restricted Funds	<u>79</u>	<u>6</u>	<u>(9)</u>	<u>-</u>	<u>76</u>
Total Funds	<u><u>6,324</u></u>	<u><u>3,147</u></u>	<u><u>(3,299)</u></u>	<u><u>-</u></u>	<u><u>6,172</u></u>

The transfer between funds in 2019 represents a designation of profits from the Unrestricted General Fund to the Designated Charity Committee of £20k. The transfer from Bath & West Enterprises Limited also includes an intercompany rent payment of £216k.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

17. STATEMENT OF FUNDS (CONTINUED)

Designated Funds

Charity Committee

The Charity Committee Fund supports projects closely allied to the Society's charitable objectives and the Society would normally allocate 10% of the unrestricted surplus (excluding any capital disposals) per year to the fund. In 2019 £20k was designated to this fund from General Funds. In the current year, in light of the budgeted loss for 2020 and ongoing COVID19 restrictions, an appeal was launched which raised £27k, which has been added to the Charity Committee Fund.

Young People's Funds

This relates to the funds received from cheese sales at the Royal Bath & West Show that are designated by the Dairy Produce Committee for charitable giving during the coming year. As this event did not take place, this fund was not added to in 2020.

Infrastructure Upgrade

The Company has committed to pay its development partner £150k for the upgrade of showground infrastructure during the course of development and has therefore designated this fund within reserves. As at 31 December 2020, £100k of this commitment remains as £Nil (2019: £Nil) was paid in the year.

Restricted Funds

Showering Pavilion Heating System

Grants were received to assist towards the costs of the sustainable energy heating system in the Showering Pavilion. The balance on this fund represents future depreciation to be written off over the life of the assets.

South West Growth Fund

In 2017 a grant of £43k was received from the South West Growth Fund towards the construction of the Rural Enterprise Centre. The balance on this fund represents future depreciation to be written off over the life of the assets.

Rural Development Programme for England (RDPE)

In 2018 a grant of £14k was received from RDPE to fund the development kitchen in the REC. This was spent in the 2018 year. The balance on this fund represents future depreciation to be written off over the life of the assets

Field to Food Learning Day

In 2020 a grant of £10k was received from the Fairfield Charitable Trust to fund the Field to Food Learning Day. Due to COVID19 restrictions this event was not able to take place in 2020. Therefore, the funds have been carried forward to be spent in future years.

Mendip District Council REC F&D Grant

In 2018 a grant of £4k was received from MDC to fund the development of the REC. Due to COVID19 restrictions this was not spent in 2020 but is expected to be spent in future years.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

17. STATEMENT OF FUNDS (CONTINUED)

Mendip District Council First Aid Grant

A grant of £6k was received from MDC to fund the construction of a Medical post. The balance on this fund represents future depreciation to be written off over the life of the asset.

COMPANY

For the purpose of section 408 of the Companies Act 2006, the net movement of funds for the Company is a surplus of £55k (2019: deficit of £304k). Total funds brought forward were £5,846k (2019: £6,150k). Total funds carried forward were £5,901k (2019: £5,846k).

18. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	General Funds £'000	Designated Funds £'000	Restricted Funds £'000	Total £'000
Fund balances at 31 December 2020 are represented by:				
Tangible Fixed Assets	3,282	-	68	3,350
Investment Properties	3,000	-	-	3,000
Other Assets/(Liabilities)	(970)	134	10	(826)
	<hr/>	<hr/>	<hr/>	<hr/>
	5,312	134	78	5,524
	<hr/>	<hr/>	<hr/>	<hr/>

There are sufficient resources available, held in an appropriate form, to enable restricted and designated funds to be applied in accordance with restrictions imposed.

	General Funds £'000	Designated Funds £'000	Restricted Funds £'000	Total £'000
Fund balances at 31 December 2019 are represented by:				
Tangible Fixed Assets	3,522	-	76	3,598
Investment Properties	2,742	-	-	2,742
Other Assets	(279)	111	-	(168)
	<hr/>	<hr/>	<hr/>	<hr/>
	5,985	111	76	6,172
	<hr/>	<hr/>	<hr/>	<hr/>

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

19. FINANCIAL COMMITMENTS

Financial

As at 31 December 2020 the Group had £100k authorised and contracted financial commitments (2019: £100k).

£100k (2019: £100k) relates to a contribution to the Company's development partner to upgrade the showground infrastructure for future development, the exact timing of which cannot be determined.

Obligations under Non-cancellable Leases: as a lessee:-

As at 31 December 2020 the Group had total commitments under non-cancellable operating leases, for the following minimum lease payments:

	2020	2019
	£'000	£'000
Expiry Date:		
Within 1 year	23	26
2 to 5 years	19	42
	<hr/>	<hr/>
	42	68
	<hr/> <hr/>	<hr/> <hr/>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £23k (2019: £26k).

Obligations under Non-cancellable Leases: as a lessor:-

As at 31 December 2020 the Group had contracted with tenants under non-cancellable operating leases, for the following minimum lease payments:

	2020	2019
	£'000	£'000
Expiry Date:		
Within 1 year	158	127
2 to 5 years	260	403
	<hr/>	<hr/>
	418	530
	<hr/> <hr/>	<hr/> <hr/>

The operating leases represent rental of properties to third parties.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020 (CONTINUED)

20. FINANCIAL INSTRUMENTS

The carrying amount of the Group's financial instruments at 31 December were:

GROUP	2020	2019
	£'000	£'000
Financial assets:		
- Financial assets measured at fair value through Statement of Financial Activities	3,000	2,742
- Debt instruments measured at amortised cost	37	142
	<hr/>	<hr/>
	3,037	2,873
	<hr/>	<hr/>
Financial liabilities:		
- Measured at amortised cost	92	98
	<hr/>	<hr/>

21. RELATED PARTY TRANSACTIONS

In accordance with FRS 102, the company is exempt from the requirement to disclose transactions with wholly owned group companies. There were no other related party transactions in the year (2019: None).

Transactions with the directors are disclosed in Note 7.