

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 2021

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021

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 2021

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 2021. 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.

Our mission remains:

As a rural Charity and through the work within the 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

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

ACTIVITIES (CONTINUED)

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 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 18.

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 2021 (CONTINUED)

REVIEW OF THE YEAR

The COVID 19 Pandemic has had a very considerable impact on the Society since it began in 2020. The restrictions imposed on movement and successive lockdowns meant that we were unable to generate income from commercial lettings and also could not run the main Royal Bath & West Show in either 2020 or 2021. We ended 2020 optimistic that we would be able to return to our usual show dates in 2021, but the rise in cases over December 2020 and the consequential lockdown introduced in January meant that we had to review our plans and instead we decided to concentrate on making a more fragmented offering in 2021. These included the Country Festival in August 2021, intended to generate awareness of the Showground and also of the importance of agriculture to the rural economy and which made a small contribution to overheads, a successful Dairy Show in October 2021 and an Equine Show behind closed doors in May 2021. However after recharging overheads the Shows Company made a loss of £116,000. This was not surprising as it was only as confidence increased during the year that events began to recover some of their impetus, and it was clear that many traders had taken the decision early in 2021 not to re-activate their show activities.

The Showground was equally hit hard by cancellations of events throughout the year. We were very fortunate to be selected as a venue for a regional vaccination centre run by the NHS. This helped the Enterprises company to make a small profit after charging overheads and rent.

Unfortunately, due to the continuing negative impacts of COVID19, the financial position of the Society continues to have been badly hit but the Society made a modest surplus before interest, depreciation, and amortisation on its regular activities and this was a considerable improvement on the prior year.

Looking back at the last two years, none of us anticipated quite how difficult a time we were going to experience. What we learned was that the show industry was particularly vulnerable to an event like COVID 19. Although we have plenty of space we do rely on visitors and once restrictions on movement were imposed this meant that both our shows and the other events that took place on the show ground had to be cancelled. The impact on our income was therefore considerable at a time when the overheads continued to be incurred. As a way of controlling these we did, regrettably, have to make some staff redundant or to decide not to replace those who were retiring and this always meant that getting ourselves back into business was going to be a large ask for the remaining members of the team. Among those to leave us was our Chief Executive, who decided in January 2021 to explore other opportunities. We were sad to say farewell to Rupert Cox after 6 years with the Society, during which time he did much to help it evolve. His absence inevitably placed greater responsibility on both the Board and the Staff team and we are grateful to them all for their respective contributions in helping to move the Society forward during this challenging period. Against this backdrop it is positive that a new Chief Executive has now been appointed and we look forward to Carol Paris joining us later in 2022 to take up her post.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

REVIEW OF THE YEAR (CONTINUED)

We have recorded before the disappointment at the way that all agricultural societies have been treated by government during the pandemic, being excluded from the Cultural Recovery Fund on the basis that we fell under the remit of DEFRA and yet receiving no support at all from DEFRA.

In contrast we are very grateful to both Mendip District Council and Somerset County Council for the provision of generous support through grants to the Society, which will enable us to re-create a number of the roles that regrettably had to be lost when COVID first struck.

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 help 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.

2022 Trading Conditions

We are planning that 2022 will return to some form of commercial normality and we are looking forward in particular to a special Royal Bath & West Show in June 2022, marking both Her Majesty The Queen's Platinum Jubilee and also the 70th Anniversary of Her Majesty as our Patron. Therefore, we have taken the decision to increase staff levels once more to meet the anticipated level of activity and also to promote the Showground. However, financially, we have to be realistic that it will be a good result if we can be breakeven at the EBITDA level - therefore we continue to maintain banking facilities of £1.35m, of which £392k had been utilised at 31 December 2021.

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 2021 (CONTINUED)

FINANCIAL REVIEW

The impact of COVID19 continued to have a fundamental impact on the performance of the business in 2021. Total income was £1.75m (2020: £700k) and total expenditure was £1.925m (2020 - £1.6m). This led to a loss of £170k (2020 – loss before investment property revaluation of £906k).

Support costs have reduced by £66k (2020: £254k), largely due to control of overhead spend in the context of a deficit budget and COVID19 restrictions.

The consolidated cash balance decreased by £260k to a net overdraft of £92k and a loan of £300k. (2020: net overdraft of £132k). This was primarily due to cash spent on operating activities of £239k (2020: £284k) and capital expenditure of £17k (2020: £87k).

Consolidated unrestricted funds decreased to £5,234k (2020: £5,446k) and consolidated restricted funds increased to £120k (2020: £78k) as disclosed in note 18 to the accounts.

There are net current liabilities of £403k (2020: £826k). This includes £46k of trade stand funds held on account following the cancellation of the Bath & West Show in 2020 and 2021 and carried forward to 2022. It also includes £15k of sponsorship & £54k of advance ticket income carried forward to 2022. If required, there are debt facilities of £1.35m available with Handelsbanken of which £392k has been utilised.

Due to the lack of events on the Showground, income from the Wessex Pavilion in 2021 was limited, however regular catering was provided by our partner to the NHS. The tenant continued to pay a proportion of the rent due, with the Society granting a partial rent holiday.

Our development partner Red Kite Securities Limited continues to look for development opportunities but no commercially viable plans have come forward.

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 2022 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.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

RISK (CONTINUED)

During the Pandemic years of 2020 and 2021, our total staffing number reduced by 9, but from 2022 we are returning the Society's staffing levels to more normal levels, including the appointment of a new Chief Executive who is due to start in July 2022.

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 2021 year-end, £392k has been drawn and Handelsbanken has confirmed that it will extend the facilities by a further year to permit drawdowns until 2023, with the first repayment of any balances also delayed until 2023.

Although trading is uncertain in 2022 and costs are increasing 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 and 2021 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 £897k (2020: deficit of £970k) as disclosed in note 19 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 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 18 Comparative.

The Young People's Fund raises money from cheese sales at the Royal Bath & West Show for charitable giving and is administered by the Charity Committee but this fund was not added to in 2021.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

DESIGNATED FUNDS (CONTINUED)

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 18 to the accounts.

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. The Directors commissioned a professional valuation in 2020, adopting a valuation of £3m which has been confirmed by the Directors for 2021 as still being an appropriate carrying value.

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 2021 are disclosed in Note 20.

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 134 (2020: 149) 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 ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

STRUCTURE, GOVERNANCE AND MANAGEMENT (CONTINUED)

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.

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:

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
A Gibson OBE	R W Uloth
C R Look	

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
ANNUAL REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31 DECEMBER 2021 (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 Mrs C R Look - Vice Chairman Dr L S Moir – Honorary Treasurer J Alvis OBE M J Felton A Gibson OBE M Thatcher R W Uloth Sir David Wills Bt Mrs A B Yeoman OBE DL P M Thomson – appointed 1 st April 2021 Mrs S Seagar – appointed 6 th January 2022 Mrs V E Leng – appointed 6 th January 2022
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 2021 (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 1 APRIL 2022 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 2021

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 2021, 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 2021 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

In auditing the financial statements, we have concluded the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate and that the trustees have disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 2021 (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 2021 (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 2021 (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.
- We undertook audit procedures in respect of income recognition for each material stream of income during the year.

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: 1st APRIL 2022

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 2021

	Note	Unrestricted Funds 2021 £'000	Restricted Funds 2021 £'000	Total Funds 2021 £'000	Unrestricted Funds 2020 £'000	Restricted Funds 2020 £'000	Total Funds 2020 £'000
INCOME							
Donations and legacies	5	32	1	33	175	-	175
Charitable activities		68	50	118	-	10	10
Other trading activities	4	1,390	-	1,390	363	-	363
Investments		-	-	-	1	-	1
Other		214	-	214	151	-	151
TOTAL INCOME	3,18	1,704	51	1,755	690	10	700
EXPENDITURE							
Expenditure on raising funds		579	-	579	777	-	777
Expenditure on charitable activities		1,337	9	1,346	821	8	829
TOTAL EXPENDITURE	3,18	1,916	9	1,925	1,598	8	1,606
NET (EXPENDITURE) / INCOME BEFORE GAINS ON INVESTMENT PROPERTIES		(212)	42	(170)	(908)	2	(906)
GAINS ON INVESTMENT PROPERTIES		-	-	-	258	-	258
NET (EXPENDITURE) / INCOME FOR THE YEAR AND MOVEMENT IN FUNDS		(212)	42	(170)	(650)	2	(648)
RECONCILIATION OF FUNDS:							
FUNDS BROUGHT FORWARD		5,446	78	5,524	6,096	76	6,172
FUNDS CARRIED FORWARD		5,234	120	5,354	5,446	78	5,524

The notes on pages 19 to 40 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 2021

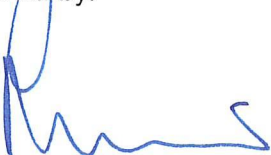
		Group	Group	Company	Company
	Note	2021 £'000	2020 £'000	2021 £'000	2020 £'000
FIXED ASSETS					
Tangible Assets	9	3,057	3,350	3,057	3,350
Investment Properties	10	3,000	3,000	3,000	3,000
Investments	11	-	-	-	-
		6,057	6,350	6,057	6,350
CURRENT ASSETS					
Stock	12	17	18	17	18
Debtors	13	168	54	581	72
Cash at Bank and in Hand	14	48	1	1	1
		233	73	599	91
LIABILITIES:					
Creditors Falling Due Within One Year	15	(636)	(899)	(516)	(540)
		(403)	(826)	83	(449)
NET CURRENT (LIABILITIES)/ASSETS					
LIABILITIES:					
Creditors Falling Due After More Than One Year	16	(300)	-	(300)	-
		5,354	5,524	5,840	5,901
NET ASSETS		5,354	5,524	5,840	5,901

(continued on page 17)

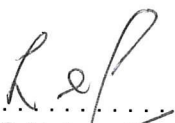
THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
CONSOLIDATED AND COMPANY BALANCE SHEETS
AS AT 31 DECEMBER 2021 (CONTINUED)

		Group	Group	Company	Company
	Note	2021	2020	2021	2020
		£'000	£'000	£'000	£'000
FUNDS					
Unrestricted Funds					
General Funds	18	5,591	5,365	5,591	5,689
Non-Charitable Trading Funds	18	(486)	(53)	-	-
Designated Funds	18	129	134	129	134
		-----	-----	-----	-----
		5,234	5,446	5,720	5,823
Restricted Funds	18	120	78	120	78
		-----	-----	-----	-----
TOTAL FUNDS		5,354	5,524	5,840	5,901
		=====	=====	=====	=====

The financial statements were approved by the directors on *1 April 2022* 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 40 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 2021

	Note	2021 £'000	2020 £'000
Cash flows from operating activities			
Net cash provided by operating activities	(a)	(239)	(284)
Cash outflows from investing activities:			
Interest received		-	1
Payments to acquire tangible fixed assets		(17)	(87)
		<hr/>	<hr/>
Cash used in investing activities		(17)	(86)
		<hr/>	<hr/>
Cash inflows from financing activities:			
Interest paid		(4)	-
Bank borrowing drawdown		300	-
		<hr/>	<hr/>
Cash used in financing activities		296	-
		<hr/>	<hr/>
Increase/(decrease) in cash and cash equivalents		40	(370)
Cash and cash equivalents at 1 January		(132)	238
		<hr/>	<hr/>
Cash and cash equivalents at 31 December		(92)	(132)
		<hr/> <hr/>	<hr/> <hr/>

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

	2021 £'000	2020 £'000
Net expenditure for the year	(170)	(648)
Interest paid/(receivable)	4	(1)
Depreciation charge	310	335
Gain on revaluation of investment properties	-	(258)
Decrease in stock	1	3
(Increase)/decrease in debtors	(114)	144
(Decrease)/Increase in creditors	(270)	141
	<hr/>	<hr/>
Cash flows from operating activities	(239)	(284)
	<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 2021

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 134 (2020: 149) 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 2021 (CONTINUED)

2. ACCOUNTING POLICIES (CONTINUED)

Going concern

In the light of the consolidated net current liabilities of £403k (2020: net current liabilities of £826k) as at 31 December 2021, the directors have given consideration to the operations and financial position of the Group in making their going concern assessment. In particular, the directors have given consideration to the lasting effects, upon the Group, of the Coronavirus pandemic and its lasting impact upon the financial performance and position of the group.

The directors expectations for the year ended 31 December 2021 were largely met or exceeded:

- The Group was able to hold the planned Country Festival in August 2021 and the Dairy Show in October 2021
- 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.
- There was a positive cash inflow for the year of £40k (after partial draw down of loan facility -see below)
- The net expenditure for the year of £170k (2020: net expenditure £648k) is stated after depreciation, amortisation and interest of £314k giving a total EBITDA for the year of £144k.

As previously reported, 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 2021 year-end, it has only been necessary to draw down £300k on the loan and so this facility remains available for use in 2022 if required and Handelsbanken have also provided confirmation, subsequent to the year end, to the directors that the facility availability has been extended from March 2022 to March 2023 and that the interest only payment period has been extended to May 2023.

A detailed cash flow forecast has been prepared for the period to April 2023 which is more than 12 months from the date of approval of the accounts. This assumes that there will be a return to pre-pandemic levels of activity on the Showground. The forecast reflects the current bookings and may be subject to cancellation / postponement should there be, for example, a return to COVID restrictions. The forecast also assumes that we will be able to hold the Bath & West Show in June 2022 and planning is well advanced with ticket sales open and trade-stand and sponsorship sales at a satisfactory level already confirmed.

Whilst the forecast does anticipate the need to draw down part of the £1.1m available loan facility, the year to date 2022 cash position, before any further draw down, already exceeds the forecasted position and the directors do not anticipate any need to approach the bank for further support or extension of facilities.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

2. ACCOUNTING POLICIES (CONTINUED)

Based on the above, whilst recognising that there can be no certainty especially in light of the economic uncertainty impacting the UK population and, potentially, their availability of discretionary spend, 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 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 (2020: £3m) 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 or increase in valuation. As explained above, the Directors commissioned an external professional valuation in 2020 to support their valuation which showed no requirement for an impairment. The Directors have considered market conditions since that valuation and have decided there is no need to change the carrying valuation.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

2. ACCOUNTING POLICIES (CONTINUED)

Key management personnel are considered to be the directors and senior management team. Key management personnel comprised 5 individuals in 2021: Chief Executive (to Jan 2021 only), Chief Financial Officer (to Nov 2021 only then covered by consultant), Head of Commercial Enterprise (currently vacant), Head of Estates. 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.

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.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

2. ACCOUNTING POLICIES (CONTINUED)

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.

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.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

2. ACCOUNTING POLICIES (CONTINUED)

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 2021 (CONTINUED)

3. ANALYSIS OF ACTIVITIES

	2021					2020						
	Income	Direct Costs	Support costs	Gains on Investment Properties	Transfers	Surplus/(deficit)	Income	Direct Costs	Support costs	Gains on Investment Properties	Transfers	Surplus/(deficit)
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Unrestricted/Designated												
Membership and education	93	(5)	(194)	-	-	(106)	52	(5)	(181)	-	-	(134)
Other Showground income	192	-	(404)	-	216	4	186	-	(636)	258	324	132
Bath and West Shows Ltd	847	(564)	(399)	-	-	(116)	91	(135)	(506)	-	(17)	(567)
Bath & West Enterprises Ltd	572	(10)	(340)	-	(216)	6	361	(54)	(81)	-	(307)	(81)
Unrestricted total	1,704	(579)	(1,337)	-	-	(212)	690	(194)	(1,404)	258	-	(650)
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
Somerset CC Business Restart and Recovery Fund	50	-	-	-	-	50	-	-	-	-	-	-
Other	1	-	(3)	-	-	(2)	-	-	(2)	-	-	(2)
Restricted total	51	-	(9)	-	-	42	10	-	(8)	-	-	2
Total	1,755	(579)	(1,346)	-	-	(170)	700	(194)	(1,412)	258	-	(648)

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (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:

	2021 £'000	2020 £'000
Turnover	572	361
Cost of Sales	(10)	(54)
	<hr/>	<hr/>
Gross Profit	562	307
Administrative Expenses (excluding rents payable to parent company)	(556)	(81)
	<hr/>	<hr/>
Profit on Ordinary Activities Before Rent	6	226
Rent Due to Parent Company	-	(54)
	<hr/>	<hr/>
Profit on Ordinary Activities	6	172
	<hr/>	<hr/>
Distribution paid to Parent Company	-	307
	<hr/>	<hr/>
The aggregate of the assets, liabilities and funds were:		
	£'000	£'000
Assets	323	362
Liabilities	(224)	(270)
	<hr/>	<hr/>
	99	92
	<hr/>	<hr/>

Funds represent 2 ordinary shares of £1 each (2020: 2 ordinary shares of £1 each) and the surplus on the profit and loss account of £98,524 (2020: £92,165).

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (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:

	2021	2020
	£'000	£'000
Turnover	847	91
Cost of Sales	(564)	(135)
	<hr/>	<hr/>
Gross (Loss) / Profit	283	(44)
Administrative Expenses	(399)	(506)
	<hr/>	<hr/>
(Loss) / Profit on Ordinary Activities	(116)	(550)
	<hr/>	<hr/>
Distribution paid to Parent Company	-	17
	<hr/>	<hr/>
The aggregate of the assets, liabilities and funds were:		
	£'000	£'000
Assets	13	11
Liabilities	(597)	(480)
	<hr/>	<hr/>
	(584)	(469)
	<hr/>	<hr/>

Funds represent 3 ordinary shares of £1 each (2020: 3 ordinary shares of £1 each) and the deficit on the profit and loss account of £584,212 (2020: deficit of £468,293).

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

5. INCOME FROM DONATIONS AND LEGACIES

	Group 2021 £'000	Group 2020 £'000
Donations	4	27
Coronavirus Job Retention Scheme (CJRS)	29	148
	<hr/>	<hr/>
	33	175
	<hr/>	<hr/>

6. SUPPORT COSTS

	Group 2021 £'000	Group 2020 £'000
Wages and Salaries	484	678
Showground Costs (Facilities)	414	262
Showground Costs (Office)	89	87
Consultancy and Professional Costs	17	31
Finance Costs	16	6
Depreciation	310	335
Auditors remuneration	16	13
	<hr/>	<hr/>
	1,346	1,412
	<hr/>	<hr/>

The analysis of auditors' remuneration is as follows:

	Group 2021 £'000	Group 2020 £'000
Audit of these financial statements	4	4
Audit of financial statements of subsidiary companies	7	7
Taxation services	1	-
Accountancy services	4	2
	<hr/>	<hr/>
	16	13
	<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 2021 (CONTINUED)

7. STAFF COSTS

	Group 2021 £'000	Group 2020 £'000
Wages and Salaries	401	579
Employer's National Insurance	37	54
Pension Costs	19	32
Redundancy Costs	27	13
	<hr/>	<hr/>
	484	678
	<hr/> <hr/>	<hr/> <hr/>

The average number of employees was:

	Group 2021	Group 2020
Charitable activities and show organisation	9	14
Site maintenance and development	4	5
	<hr/>	<hr/>
	13	19
	<hr/> <hr/>	<hr/> <hr/>

No members of staff had emoluments, excluding pension contributions, above £60,001 (2020: one, in the band £70,001 to £80,000). The contributions for the provision of retirement benefits under a money purchase pension scheme for staff within this band were £nil (2020: £7,643).

No remuneration was paid to the directors (2020: £Nil) and no expenses have been reimbursed (2020: £Nil).

The total remuneration of key management personnel was £205,727 (5 individuals). In 2020 it was £276,097 (6 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 2021 (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 2021	158	7,697	908	38	8,801
Additions	-	-	17	-	17
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 December 2021	158	7,697	925	38	8,818
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION					
As at 1 January 2021	-	4,605	809	37	5,451
Charge for the year	-	255	55	-	310
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 December 2021	-	4,860	864	37	5,761
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE					
As at 31 December 2021	158	2,837	61	1	3,057
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
As at 31 December 2020	158	3,092	99	1	3,350
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The net book value at 31 December 2021 represents fixed assets used entirely for charitable purposes.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

10. INVESTMENT PROPERTIES**GROUP AND COMPANY**

VALUATION	Development Properties £'000
As at 1 January and 31 December 2021	3,000

The Directors last commissioned a professional external valuation of investment properties by Cooper & Tanner on 31st December 2020. The Directors have reviewed the report and are satisfied that the valuation and its underlying assumptions remain appropriate as at 31 December 2021. There was no external valuation performed as at 31 December 2021.

11. FIXED ASSET INVESTMENTS**COMPANY**

The investments held by the Company are investments in subsidiary companies at a total cost of £6 (2020: £6).

Details of undertakings

Undertaking	Holding	Proportion of voting rights and shares held	
		2021	2020
<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 2021 (CONTINUED)

12. STOCKS

	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
Consumables	17	18	17	18

13. DEBTORS

	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
Trade Debtors	60	36	22	25
Amounts Due from Group Undertakings	-	-	449	-
Other Debtors	6	1	6	1
Other Taxation and Social Security	-	-	10	30
Prepayments and Accrued Income	102	17	94	16
	<u>168</u>	<u>54</u>	<u>581</u>	<u>72</u>

14. CASH

	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
Cash at bank and in hand	48	1	1	1

Analysis of net debt

GROUP	At 1 Jan 2021 £'000	Cash flow £'000	At 31 Dec 2021 £'000
Cash at bank and in hand	1	47	48
Bank overdraft	(133)	(7)	(140)
Bank borrowings due in more than one year	-	(300)	(300)
Total	<u>(132)</u>	<u>(260)</u>	<u>(392)</u>

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

15. CREDITORS: Amounts falling due within one year

	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
Bank Overdraft	140	133	140	150
Trade Creditors	163	82	155	54
Amounts Due to Group Undertakings	-	-	169	278
Other Creditors	4	10	4	9
Other Taxation and Social Security	19	63	10	13
Accruals	38	37	27	26
Deferred Income (Note 17)	272	574	11	10
	<u>636</u>	<u>899</u>	<u>516</u>	<u>540</u>

16. CREDITORS: Amounts falling due in over one year

	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
Bank borrowings	300	-	300	-
	<u>300</u>	<u>-</u>	<u>300</u>	<u>-</u>

Group and Company

Bank borrowings

The bank loans are denominated in sterling with a nominal interest rate of 2.7% above Base rate, the final instalment is due in October 2026.

The bank loans are secured by debenture over the Company's whole assets and undertakings.

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

17. DEFERRED INCOME

	Group 2021 £'000	Group 2020 £'000	Company 2021 £'000	Company 2020 £'000
Balance Brought Forward	574	421	10	10
Trade Stand and other Advanced Bookings Received	69	189	-	-
Rent Received	42	312	10	122
Membership Received	1	25	1	25
Released to Statement of Financial Activities	(414)	(373)	(10)	(147)
	<hr/>	<hr/>	<hr/>	<hr/>
Balance Carried Forward	272	574	11	10
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
Deferred income will be applied as follows:				
Deferred Income	272	574	11	10
	<hr/>	<hr/>	<hr/>	<hr/>
Within 1 year	272	574	11	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 2021 (CONTINUED)

18. STATEMENT OF FUNDS

GROUP	As at 1 January 2021 £'000	Income £'000	Expenditure £'000	Transfers and Gains £'000	As at 31 December 2021 £'000
Unrestricted Funds:					
General Funds	5,689	217	(599)	216	5,523
Mendip DC grants	-	68	-	-	68
Bath and West Shows Ltd	(469)	847	(962)	-	(584)
Bath & West Enterprises Ltd	92	572	(350)	(216)	98
Designated Funds:					
Charity Committee	30	-	(5)	-	25
Young People's Funds	4	-	-	-	4
Infrastructure Upgrade	100	-	-	-	100
Total Unrestricted Funds	<u>5,446</u>	<u>1,704</u>	<u>(1,916)</u>	<u>-</u>	<u>5,234</u>
Restricted Funds:					
Showering Pavilion Heating System	20	-	(2)	-	18
South West Growth Fund	35	-	(3)	-	32
Rural Development Programme for England (RDPE)	4	-	(3)	-	1
Field to Food Learning Day	10	-	-	-	10
Mendip DC REC F&D Grant	4	-	-	-	4
Mendip DC First Aid Grant	5	-	(1)	-	4
Somerset CC Business Restart and Recovery Fund	-	50	-	-	50
Mental Health in Agriculture	-	1	-	-	1
Total Restricted Funds	<u>78</u>	<u>51</u>	<u>(9)</u>	<u>-</u>	<u>120</u>
Total Funds	<u>5,524</u>	<u>1,755</u>	<u>(1,925)</u>	<u>-</u>	<u>5,354</u>

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 2021 (CONTINUED)

18. STATEMENT OF FUNDS (CONTINUED)

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	6,096	690	(1,598)	258	5,446
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	76	10	(8)	-	78
Total Funds	6,172	700	(1,606)	258	5,524

During 2020 the 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 4. 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 2021 (CONTINUED)

18. 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.

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 2021.

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 2021, £100k of this commitment remains as £Nil (2020: £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. 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 2021 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 2021 (CONTINUED)

18. 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.

Somerset County Council Business Restart and Recovery Fund Grant

A grant of £50k was received from SCC to fund the recruitment and employment and staff required to build up the operating team post Covid-19. This grant was received late in 2021 and will be spent in the future year.

Mental Health in Agriculture

A donation of £1k was received in the year and will be spent in future years.

COMPANY

For the purpose of section 408 of the Companies Act 2006, the net movement of funds for the Company is a surplus of £61k (2020: surplus of £55k). Total funds brought forward were £5,901k (2020: £5,846k). Total funds carried forward were £5,840k (2020: £5,901k).

19. ANALYSIS OF GROUP NET ASSETS BETWEEN FUNDS

	General Funds £'000	Designated Funds £'000	Restricted Funds £'000	Total £'000
Fund balances at 31 December 2021:				
Tangible Fixed Assets	3,002	-	55	3,057
Investment Properties	3,000	-	-	3,000
Other Assets/(Liabilities)	(897)	129	65	(703)
	<u>5,105</u>	<u>129</u>	<u>120</u>	<u>5,354</u>

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 2020:				
Tangible Fixed Assets	3,282	-	68	3,350
Investment Properties	3,000	-	-	3,000
Other Assets/(Liabilities)	(970)	134	10	(826)
	<u>5,312</u>	<u>134</u>	<u>78</u>	<u>5,524</u>

THE ROYAL BATH & WEST OF ENGLAND SOCIETY
(COMPANY LIMITED BY GUARANTEE)
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2021 (CONTINUED)

20. FINANCIAL COMMITMENTS

Financial

As at 31 December 2021 the Group had £100k authorised and contracted financial commitments (2020: £100k).

£100k (2020: £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 2021 the Group had total commitments under non-cancellable operating leases, for the following minimum lease payments:

	2021	2020
	£'000	£'000
Expiry Date:		
Within 1 year	15	23
2 to 5 years	4	19
	<hr/>	<hr/>
	19	42
	<hr/> <hr/>	<hr/> <hr/>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £14k (2020: £23k).

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

As at 31 December 2021 the Group had contracted with tenants under non-cancellable operating leases, for the following minimum lease payments:

	2021	2020
	£'000	£'000
Expiry Date:		
Within 1 year	145	158
2 to 5 years	130	260
	<hr/>	<hr/>
	275	418
	<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 2021 (CONTINUED)

21. FINANCIAL INSTRUMENTS

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

GROUP	2021	2020
	£'000	£'000
Financial assets:		
- Financial assets measured at fair value through the statement of financial activities	3,000	3,000
	<u>3,000</u>	<u>3,000</u>

22. 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 (2020: None).

Transactions with the directors are disclosed in Note 7.