



BRITISH PIG ASSOCIATION ANNUAL REPORT 2019





A message from the Chairwoman – Jane Mathews

Originally founded in the 19th century the BPA was reconstituted as a 21st century organisation just one month before the new millennium. As the organisation prepares to celebrate its 20th anniversary and enter its third decade following the reconstitution I would like to take a few moments to look at what we have achieved in the first 20 years and what we might hope to achieve in the next two decades as we move towards the 150th anniversary of the founding of the National Pig Breeders Association.

At the end of the 20th century the BPA was one of two organisations representing commercial pig producers and most of its focus was on looking after larger producers' interests in competition with the National Farmers Union. When the organisation was re-established it was envisaged as small pedigree association with some 200 members. Although the charity retained the original assets of the old organisation it also retained all the liabilities and responsibilities.

In its first year the new Association inherited from the old structure a loss of £80,000 for the financial year 1999. In exchange for this £125,000 of subscription income representing almost 75% of the total was passed over to the newly formed National Pig Association whilst the BPA retained some £25,000 of investment income. The new pedigree organisation was left with a subscription income of £50,000 and despite reducing staff costs by 60% in that first year this was barely enough to cover the wages. It would be fair to say that it was a difficult birth.

As if these financial challenges were not enough, in the first year of operations the pig industry was hit with its first outbreak of notifiable disease for 25 years when Classical Swine Fever was confirmed in East Anglia

“The British pig industry was plunged into crisis yesterday when tens of thousands of pigs were ordered to be slaughtered after the spread of the most severe outbreak of swine fever in 30 years. The outbreak of the most infectious virus known to affect pigs could signal a BSE-style collapse in an export trade worth £126m a year.” The Guardian Saturday 12th August 2000.

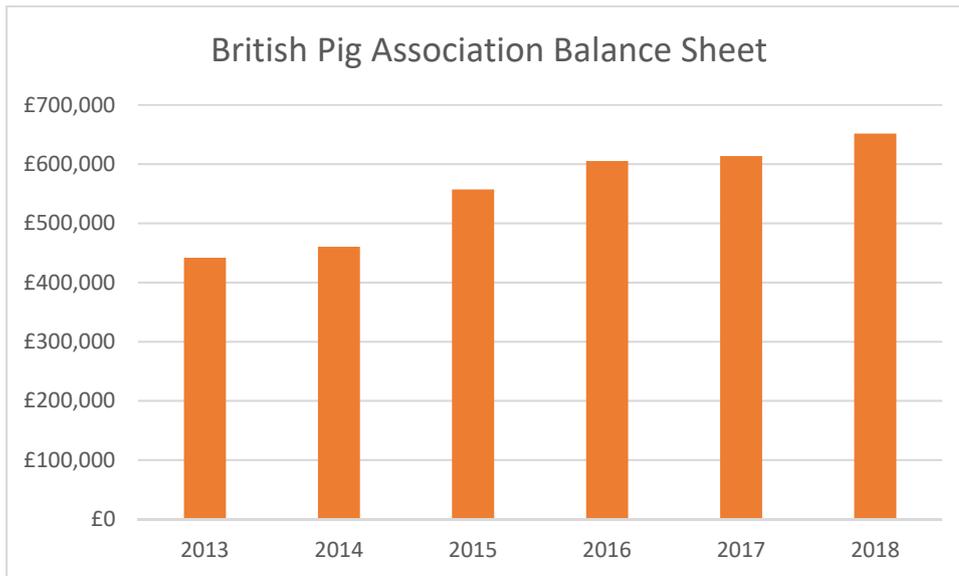
Then just six months later even worse news as the return of Foot of Mouth Disease after 35 years was announced. By the time the last case was confirmed at Whygill Head Farm in Appleby, Cumbria, on 30 September 2001, more than six million sheep, cattle and pigs had been slaughtered. An unprecedented disaster for the livestock industry and an enormous challenge for the newly reconstituted pedigree association.

The first three annual reports published by new BPA Council reported losses totalling £200,000. Of course these figures pale into insignificance compared to the cost of these disease outbreaks to the UK farming sector and the UK economy as a whole. In its report on the cost of the outbreak the National Audit Office stated that: *“The direct cost to the public sector is estimated at over £3 billion and the cost to the private sector is estimated at over £5 billion.”* The 2001 Outbreak of Foot and Mouth Disease – NAO report, 21 June 2002.

Front cover photos.

Robert Overend MBE - Chairman 1999 – 2009 Alan Rose – Chairman 2009 – 2012
Guy Kiddy – Chairman 2012 – 2018 Jane Mathews – Chairwoman 2018 -

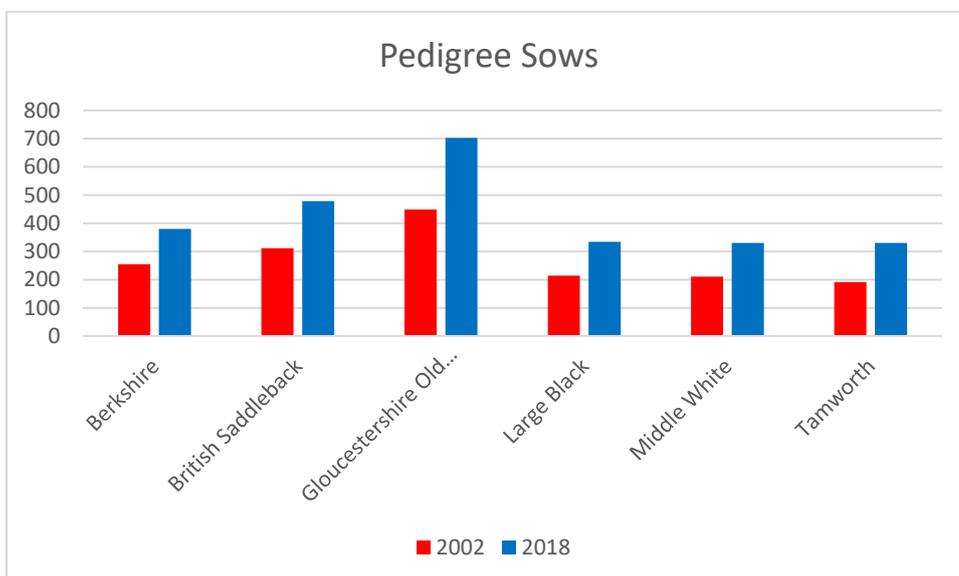
The newly reconstituted organisation faced a significant challenge just to survive the first three years. It has survived in spite of all the difficult moments since those early crisis years including Foot and Mouth 2007, PMWS wasting disease, the inappropriately named Swine Flu pandemic, the banking crisis of 2008 and the long years of austerity followed by three years of government paralysis since the decision to leave the EU in 2016. It has survived and is now on a more stable financial footing. The last six Annual Reports have reported total surpluses of more than £200,000. We were very fortunate to receive a generous legacy for a similar amount but these figures indicate that in spite of increased spending on our Heritage Genebank the Association is no longer racking up heavy losses as it did in the past. Over the same period the value of the Association as shown on the Balance Sheet has increased from £440,000 to £650,00.



So we have made progress in managing our finances but there are many other areas where we have also made significant progress over the last two decades.

The BPA is primarily about pedigree pigs and pedigree breeders. Since 1999 we have increased our membership and we now have more than five times as many members. We also have more breeds with the addition of the Oxford Sandy & Black in 2002 and the Mangalitza in 2007.

For breed numbers the picture is less clear with most traditional breeds making progress as can be seen in the table showing breeds for which we had survey figures in 2002. The situation for our native modern breeds is less favourable and this remains a significant area of concern.





British Pig Association Annual Report 2019



We have made significant progress in equality of representation both for the breeds and breeders. In 1999 we had a Major Breeds Committee and Minor Breeds Committee. The Major Breeds had six seats on Council and the Minor Breeds just four. In addition we only had a single female trustee elected to Council and only three of the thirty committee members were women.

The issues of disease that plagued the first three years of the new Association meant that it was 2003 before this could be addressed with the formation of Modern and Traditional Breeds committees with equal council representation. The representation of women on committees and council has taken longer but I am pleased to say that fifty percent of our elected representatives are women and that we have six female trustees of the charity.

In representation of our wider membership to government we have also made significant progress. The BPA is now represented on a number of government and industry committees and bodies including the Pig Health and Welfare Council, the Pig Disease Core Group, the Farm Animal Genetic Resources Advisory Committee, the Red Tractor Technical Advisory Group and the Technical Design and User Group for the new Livestock Information Service. We also have excellent working relationships with the National Pig Association, The Rare Breeds Survival Trust and AHDB.

We have also improved our communications to members. Prior to 2000 we published a magazine aimed at the large scale commercial producers in which pedigree breeding barely had a mention. We have now had 9 years of Practical Pigs magazine which is focused on the needs and interests of our members.

We have restructured our committees to focus on specific areas of work including Conservation, Pedigree Pork and Shows as well as establishing a vibrant Junior Pig Club to help develop the pedigree breeders of the future.

From a very difficult start we have made a lot of progress but there is still much more to be done and so I would like to focus on what we want to achieve in the medium term over the next five years and where we would like to be by the time we celebrate 150 years of pedigree breeding in 2034.

On finance and governance we must continue to build an organisation that can deliver our main objectives which should be:

- Helping our breeders to develop profitable businesses as part of a diverse rural economy that will help to ensure the long term survival of our breeds
- Provide a safety net for our breeds to ensure their survival in face of threats of disease whilst those businesses are being built

We will review our corporate governance including our articles of association to ensure they are fit for purpose going forwards and that they provide the best possible structure to deliver our objectives.

We will continue to look for ways to ensure financial stability including increasing the level of donations that we receive to make best use of our charitable status.

We must focus on developing our Pedigree Pork scheme so that in five years' time this is at the heart of all our work. Our breeds can only survive if they have a market and this has to mean a market for the meat. We must find ways to encourage the public to recognise the importance of Conservation through Consumption and help them to understand the need to pay a premium for Pedigree Pork. We must also make it easier for the public to find pedigree pork to buy and for breeders and producers to work together to ensure consistent quality and continuity of supply to butchers and retailers. A Pedigree Pork strategy outlining all the different requirements of such a programme must be produced in the same way as we have developed our conservation strategy.



British Pig Association Annual Report 2019



We must continue the excellent work of our conservation committee in developing a Conservation Strategy. Over the next 5 years we must ensure that the primary goals of that programme are achieved. This will include a genebank holding all our named native breed boar lines and a minimum of 10 boars from each of the native breeds. In partnership with the RBST we must try to have this genebank recognised by government as part of a national genebank and we must make sure that we have this precious resource stored on more than one site. We must also work towards completing our on farm conservation programmes so that we have all the named breeding lines distributed around the country whilst developing breeding programmes to ensure that genetic diversity is protected. If possible we must also try to achieve a similar goal on the island of Ireland in partnership with the Irish Pig Society.

If we are lucky enough to avoid an incursion of exotic disease such as African Swine Fever for the next five years we must put in place strategies to make best use of the government's Breeds at Risk Policy. We must identify farms that might be able to serve as quarantines and work out how this process could be implemented in partnership with the Animal and Plant Health Agency.

Agricultural Shows are an important part of our cultural heritage and an important opportunity to showcase our wonderful breeds to the public, raising awareness of the depth and breadth of our Farm Animal Genetic Resources. We must work with the Show Societies to ensure that the rest of the pig industry does not see these events as a threat to national biosecurity.

Finally we must make sure that as well as conserving our breeds we also conserve our breeders. Pedigree breeding is about passing on the best from one generation to the next but to do that we must be sure that we have the next generation of pedigree breeders to take our breeds forward. The Junior Pig Club have done great work in developing programmes for young people and building relationships with schools. This work has to be prioritised and put at the centre of our plans for the future. We must reach out to more schools and young people to ensure that the message of Eat them to Save them is not lost in the face of mounting propaganda against meat consumption in general.

Many of these goals and ambitions will involve new and improved forms of communication and use of the information about our pigs that we collect and hold. Work is already underway to redevelop our pedigree recording systems in partnership with Grassroots Systems. We are also embarking on a complete overhaul of our website and social media accounts to improve our communications and make best use of the content that we produce for Practical Pigs.

I am very honoured to be the first Chairwoman of an Association that has more than 135 years of history and also to be representing a breed which was not even part of the organisation 20 years ago. I have outlined some big ambitions for our Association over the coming years but these can only be achieved by our members.

The BPA is a not for profit membership organisation with a very small office staff. We are very fortunate to have many dedicated volunteers who give up their time to help their breeds and other breeders. If we want to achieve the goals set out here, we need many more members to take part and ask the question "what can I do for pedigree breeding" as well as what can pedigree breeding do for me.

THE BRITISH PIG ASSOCIATION
(A company limited by Guarantee)

REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31st DECEMBER 2018

Charity No: 248119

Company No: 22088 (England and Wales)

CONTENTS

	<u>Page</u>
Legal and Administrative information	1 - 2
Report of the Directors and Trustees	3 - 9
Report of the Auditors	10 - 12
Statement of Financial Activities	13
Balance Sheet	14
Notes forming part of the financial statements	15 - 24

Agutter . Khanderia
Chartered Accountants and Registered Auditors
27 Imperial Drive, Harrow HA2 7DG

THE BRITISH PIG ASSOCIATION

ADMINISTRATIVE INFORMATION

FOR THE YEAR ENDED 31st DECEMBER 2018

Charity name:	The British Pig Association
Charity registration number:	248119
Company registration number:	22088 (England and Wales)
Registered office and Operational address:	Trumpington Mews 40B High Street Trumpington, Cambridge CB2 9LS
Bankers:	National Westminster Bank Plc. 72-74 High Street Watford Hertfordshire WD1 2BQ
Investment advisers and bankers:	Cazenove Capital Management Schroder & Co. Limited 1 London Wall Place London EC2Y 5AU
Auditors:	Agutter . Khanderia Chartered Accountants 27 Imperial Drive Harrow HA2 7DG

THE BRITISH PIG ASSOCIATION

ADMINISTRATIVE INFORMATION (Continued)

FOR THE YEAR ENDED 31st DECEMBER 2018

Management Committee

President:	The Most Hon. The Marquess of Salisbury KCVO, P.C., D.L.
Chairperson:	Ms. J. Mathews
Vice Chairmen:	C. Impey B. Kelly S. Richardson
Honorary Vice-Presidents:	P. Brier B. Knight J. Millard Mrs. V. Mills
Chief executive and Secretary:	M. Bates
Directors and Trustees:	S. Booth – resigned 13/10/2018 Mrs. T. Bretherton Mrs. C. Coe Dr. M. Giles – appointed 13/10/2018 C. Impey – appointed 13/10/2018 B. Kelly – appointed 13/10/2018 G. Kiddy – resigned 25/07/2018 S. Loveless Mrs. S. Lugg Ms. J. Mathews J. Millard – resigned 13/10/2018 Mrs. M Naylor – appointed 13/10/2018 J. Newth – resigned 13/10/2018 N. Overend R. Perry – resigned 13/10/2018 S. Richardson A. Robinson – resigned 13/10/2018

THE BRITISH PIG ASSOCIATION

REPORT OF THE TRUSTEES

FOR THE YEAR ENDED 31st DECEMBER 2018

The trustees, who are also directors of the charity for the purposes of the Companies Act, are pleased to present their annual directors' report together with the audited financial statements for the year ended 31st December 2018. The trustees are also required to present a directors' report in accordance with the recommendations by the Financial Reporting Standard SORP.

The financial statements comply with the Charities Act 2011, the Companies Act 2006, the Memorandum and Articles of Association, and Accounting and Reporting by Charities; Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015).

Our Aims and objectives

Purposes and Aims

Our charity's purposes as set out in the objects contained in the company's memorandum of association are to:

Procure advancement of breed society functions in pedigree pig breeding, conservation and recording of all major breed and in particular, native breeds.

The aims of our charity are to provide comprehensive services to pedigree pig farmers in maintenance of their individual pigs and herds; educate members about the risks of disease through organising training workshops, shows and exhibitions both in the U. K. and overseas; development of the pedigree pig industry both in the United Kingdom and overseas by exchanges between countries. Our aims fully reflect the purposes that the charity was set up.

Ensuring our work delivers our aims

We review our aims, objectives and activities each year. Regular meetings are arranged by dedicated committees to review training, organisation of shows and events, regional and specific matters, and conservation of rare breeds, inspection of animal herds, welfare and special projects. The executive committee meets at least once a year to review the work of the individual committees.

The reviews look at the success of each core activity and the benefits they have delivered to those groups of people we are set to help. The reviews also help us to ensure our aims; objectives and activities remain focused and deliver the planned benefits. We have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing our aim and objectives and in planning our future activities. In particular, the trustees consider how planned activities will contribute to the aims and objectives they have set.

THE BRITISH PIG ASSOCIATION

REPORT OF THE TRUSTEES (Continued)

FOR THE YEAR ENDED 31st DECEMBER 2018

The focus of our work

Our main objectives for the year continued to be that of the advancement of pedigree breeding, conservation and recording. The strategies we used to meet these objectives included:

Electronic and manual registrations of breed society functions in pedigree pig recordings;

Active support for members by telephone, correspondence, Internet and educational workshops; and

Organising events, shows and exhibitions both in the United Kingdom and worldwide to promote breeding and conservation of pedigree pigs.

How our activities deliver public benefit

Our main activities and whom we try to help are described below. All our charitable activities focus on delivering advancement and conservation within the pig industry that helps in delivering public benefit to a wider community.

Who used and benefited from our services

Our objects and our coverage helped us to provide services to the pedigree pig farmers throughout the United Kingdom. Advanced methods deployed in animal husbandry help the ultimate consumers in obtaining safe source of food and promote the pedigree farming to regions outside the UK.

Our activities of organising shows and missions both in the United Kingdom and overseas countries deliver services to improve methods of pedigree breeding, control and help to eradicate disease and improve the quality of food supply chain that deliver a much wider public benefit.

Advice and information

Members and other users may obtain advice and information by Internet. We have developed our website to meet the assurance and accreditation standards. We have a dedicated website 'www.britishpigs.org'

We also provide dedicated support to members by telephone, electronic mail and by correspondence.

Financial Review

The Statement of Financial Activities for the year is set out on pages 13 and 14 of the financial statements. A summary of the financial results and the work of the charity are set out below.

THE BRITISH PIG ASSOCIATION

REPORT OF THE TRUSTEES (Continued)

FOR THE YEAR ENDED 31st DECEMBER 2018

Financial Review

The trustees consider that the performance of the charity this year has been stable but we still operate in extremely challenging and uncertain financial and operational environment caused by the unpredictable global economy, increased regulation and continued uncertainty following United Kingdom's decision to leave membership of the European Union.

The statement of financial activities shows net surplus for the year of £9,249 (2017: Deficit of £8,851). The Charity also received the remaining £67,462 of a legacy left to it in the financial year 2015. Net surplus for the year including the legacy were £76,711.

Losses arising from revaluation of our Quoted Stock Market Investments for the year were £38,654 (2017: Gain of £17,268).

Our reserves after revaluation of assets and investment gains stand at £651,600 (2017: £613,543).

The trustees have reviewed the fund-raising strategy and return on fund-raising costs. We have managed to control costs to achieve stable delivery of surplus from our overseas activities, which made a positive contribution to our operational costs for the year. Fund-raising costs were financed by sponsorships, grants and contributions from members participating in the activities.

Global stock markets were volatile during the later part of 2018 due to political and economic instability. Current investments consist of SUTL Cazenove Charity Class S Multi-Asset Fund income units at a cost of £397,856.

The trustees expect a yield of around 4.0% on our investments.

The activities of the charity have remained the same as in previous year.

Principal Funding Sources

Our charity receives principal funding from membership subscriptions, donations and pedigree recording services together with sponsorships, grants and voluntary donations.

The Council has authorised to continue to promote and expand the pedigree pig industry both in the United Kingdom and overseas. Overseas schemes were mainly funded by grants and sponsorships. Events organised in the United Kingdom during 2018 were financed from our own funds and from support of our sponsors.

THE BRITISH PIG ASSOCIATION

REPORT OF THE TRUSTEES (Continued)

FOR THE YEAR ENDED 31st DECEMBER 2018

Investment policy and returns

The executive committee has considered the most appropriate policy for investing funds and has found that specialised unit trusts, designed for the charity sector to control financial and other risks, meet their requirements to generate both income and capital growth. Our portfolio of investments should deliver income return of approximately 4.00%.

Reserves policy and funds available

The Charity funds its various activities partly from membership subscriptions and fees, investment income and other fund raising activities including grants and sponsorships. The current levels of services we provide are normally expected to result in a deficit of income over expenditure in the short term, which is financed by reserves of the Charity.

The trustees have reviewed the level of reserves required to effectively continue the breed society functions in pedigree pig recordings and conservation and provide other related services to its members.

The review concluded that to allow the charity to be managed efficiently and to provide uninterrupted services, the current level of reserves should be maintained.

The present level of funding is adequate to support the continuation of the charity's functions for the short to medium term, and the trustees consider the financial position of the charity to be satisfactory.

We also hold as part of our unrestricted reserves, a fund of £313 for the Irish Members' Committee and a fund of £1,207 for Large White Breeders' Committee, which is available to facilitate continuation of White breed conservation activities.

The charity has one designated and restricted fund, which is represented by investment in a savings account:

'Geoffrey Cloke Memorial Fund' to honour Mr. G. E. Cloke, was set up during 2004 from donations to serve the interests of the Association and its members. This fund currently holds a balance of £3,157 (2017: £3,154).

Plans for future periods

The trustees expect to continue its breed society functions in pedigree pig recordings and conservation; organise events, shows and exhibitions both in the United Kingdom and worldwide to promote animal welfare and the recording and conservation of pedigree pigs.

THE BRITISH PIG ASSOCIATION

REPORT OF THE TRUSTEES (Continued)

FOR THE YEAR ENDED 31st DECEMBER 2018

Structure, Governance and Management

Governing document

The charity is a charitable company limited by guarantee. It is governed by a Memorandum and Articles of Association.

Structure and management

The charity is organised so that the trustees meet regularly to manage its affairs.

All directors of the company are also trustees of the Charity, and there are no other trustees. All of the trustees named on page 2 served partly or throughout the year. The Board has the power to appoint additional trustees, as it considers fit to do so.

All trustees serve for a three-year period and may be re-elected.

Trustee Induction and Training

Most trustees are already familiar with our charity's work through their activities as pedigree pig farmers.

Our charity regularly organises training workshops, inward mission to the United Kingdom from overseas pedigree pig farmers and outward missions to learn and exchange expertise with overseas pedigree pig farmers.

Risk Management

The executive committee has conducted its own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. Significant external risks to funding have led to the development of regular appraisals of plans, which would allow for the diversification of resources.

Internal risks are minimised by the implementation of procedures for authorisation of transactions and projects. All projects and procedures are regularly reviewed for compliance with our objectives.

Organisational Structure

There is one full time chief executive who manages the day-to-day administration of the charity, and organises fundraising initiatives. The remaining staff are deployed to assist with fundraising and administration. The trustees volunteer their services to the company.

THE BRITISH PIG ASSOCIATION

REPORT OF THE TRUSTEES (Continued)

FOR THE YEAR ENDED 31st DECEMBER 2018

Organisational Structure

The chief executive monitors progress to ensure that the charity delivers the services specified and that key performance targets are met to include individual supervision of the staff team.

Our charity has several committees that meet regularly to review the achievement of our aims. There are separate committees that manage shows and events, pedigree pork schemes, regional issues, conservation, herd inspections, and breed enhancement and protection projects. The Council of trustees and the executive committee meet at least once a year to review progress and assess achievement of our aims.

Statement of trustees' responsibilities

Company and Charity law requires the trustees to prepare financial statements for each financial year, which give a true and fair view of the financial activities of the charity and of its financial position at the end of that year. In preparing those financial statements, the trustees have:

- (a) selected suitable accounting policies and then applied them consistently;
- (b) made judgements and estimates that are reasonable and prudent;
- (c) stated whether applicable accounting standards have been followed, subject to any material departure disclosed and explained in the financial statements; and
- (d) prepared the financial statements on the going concern basis.

Statement of trustees' responsibilities

The trustees (who are also the directors of the company) are responsible for preparing a trustees' annual report, keeping proper accounting records which disclose with reasonable accuracy at any time, the financial position of the charity and enable them to ensure that the financial statements comply with the Companies Act 2006 and 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). They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Messrs. Agutter. Khanderia were re-appointed as the charitable company's auditors during the year and it is proposed that they be re-appointed auditors to the Charity for the ensuing year.

THE BRITISH PIG ASSOCIATION

REPORT OF THE TRUSTEES (Continued)

FOR THE YEAR ENDED 31st DECEMBER 2018

Approval

The board of directors and trustees approved this report on the 21 of May 2019 and signed on its behalf.

By order of the board of trustees

.....
Ms. J Matthews
Chair person and Trustee

21 May 2019

THE BRITISH PIG ASSOCIATION

REPORT OF THE INDEPENDENT AUDITORS

Independent Auditor's Report to the members of The British Pig Association

Opinion

We have audited the financial statements of The British Pig Association for the year ended 31st December 2018 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet 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 Financial Reporting Standard 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 Charity's affairs as at 31st December 2018 and of its incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Charity 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 have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the trustees use of the going concern basis of accounting in the preparation of the financial statements is not appropriate, or
- the trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Charity'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.

THE BRITISH PIG ASSOCIATION

REPORT OF THE INDEPENDENT AUDITORS (Continued)

Other information

The trustees are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our 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 the 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, 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.

Opinions on other matters 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 trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements, and
- the trustees' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Charity and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Annual Report.

We have nothing to report in respect of the following matters in relation to which 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;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

THE BRITISH PIG ASSOCIATION

REPORT OF THE INDEPENDENT AUDITORS (Continued)

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 8, the trustees 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 they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the Charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the Charity or to cease operations, or have no realistic alternative but to do so.

Our 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.

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 Charity'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 Charity'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 Charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

K. D. Khanderia ACA (Senior Statutory Auditor)
(For and on behalf of Agutter Khanderia
Chartered Accountants (Statutory Auditor))

27 Imperial Drive, Harrow
HA2 7DG. UK.

21 May 2019

THE BRITISH PIG ASSOCIATIONSTATEMENT OF FINANCIAL ACTIVITIESFOR THE YEAR ENDED 31st DECEMBER 2018

	<u>Note</u>	<u>Unrestricted Funds</u> £	<u>Restricted income funds</u> £	<u>Total funds 2018</u> £	<u>Total funds 2017</u> £
Incoming resources	(3)				
Income and endowments from:					
Donations and legacies		116,940	-	116,940	44,497
Charitable activities		371,685	-	371,685	272,385
Other		3,000	-	3,000	3,000
Investments		18,675	3	18,678	17,956
Total incoming resources		<u>510,300</u>	<u>3</u>	<u>510,303</u>	<u>337,838</u>
		-----	-----	-----	-----
Resources expended	(4)				
Expenditure on:					
Raising funds		34,816	-	34,816	34,394
Charitable activities		271,618	-	271,618	188,072
Governance and support		127,158	-	127,158	124,223
Total resources expended		<u>433,592</u>	<u>-</u>	<u>433,592</u>	<u>346,689</u>
		-----	-----	-----	-----
<u>Net income/(deficit) before investment gains</u>	(5)	76,708	3	76,711	(8,851)
Gains/(losses) on revaluation of the charity's investments	(6)	(38,654)	-	(38,654)	17,268
Net movement in funds		<u>38,054</u>	<u>3</u>	<u>38,057</u>	<u>8,417</u>
		-----	-----	-----	-----
Reconciliation of funds:					
Total funds at 1st January 2018		608,869	4,674	613,543	605,126
Total funds at 31st December 2018		<u>646,923</u>	<u>4,677</u>	<u>651,600</u>	<u>613,543</u>
		=====	=====	=====	=====

THE BRITISH PIG ASSOCIATION

BALANCE SHEET

AS AT 31st DECEMBER 2018

	<u>Note</u>	<u>Unrestricted Funds</u>	<u>Restricted income funds</u>	<u>Total funds 2018</u>	<u>Prior year funds 2017</u>
		£	£	£	£
Fixed assets					
Tangible assets	(7)	10,542	-	10,542	14,573
Heritage assets	(8)	59,763	-	59,763	39,253
Investments	(9)	421,818	-	421,818	460,472
Total fixed assets		<u>492,123</u>	<u>-</u>	<u>492,123</u>	<u>514,298</u>
Current assets					
Debtors	(10)	141,156	-	141,156	104,872
Cash at bank and in hand		93,804	3,023	96,827	102,643
Total current assets		<u>234,960</u>	<u>3,023</u>	<u>237,983</u>	<u>207,515</u>
Creditors:					
Amounts falling due within one year	(11)	78,506	-	78,506	108,270
Net current assets		<u>156,454</u>	<u>3,023</u>	<u>159,477</u>	<u>99,245</u>
Total net assets		<u>648,577</u>	<u>3,023</u>	<u>651,600</u>	<u>613,543</u>
Funds of the Charity					
Restricted income funds	(12)	1,654	3,023	4,677	4,674
Unrestricted funds	(12)	622,959	-	622,959	546,251
Revaluation reserve	(12)	23,964	-	23,964	62,618
Total funds		<u>648,577</u>	<u>3,023</u>	<u>651,600</u>	<u>613,543</u>

The trustees have prepared these accounts in accordance with the provisions of the Companies Act 2006 and of the Charities Act 2011. These accounts are prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small companies and constitute the annual accounts required by the Companies Act 2006. These accounts were approved by the trustees on 21 May 2019 and were signed on their behalf by:

.....
Ms J Matthews (Director and trustee)

.....
Mrs C Coe (Director and trustee)

The notes on pages 15 to 24 form part of these financial statements.

THE BRITISH PIG ASSOCIATION

NOTES TO THE ACCOUNTS

FOR THE YEAR ENDED 31st DECEMBER 2018

1. Basis of preparation

1.1 Basis of accounting

These accounts have been prepared under the historical cost convention with items recognised at cost or transaction value unless otherwise stated in the relevant notes to these accounts.

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102 - effective 1st January 2015) – (Charities SORP FRS 102), the Financial Reporting Standards applicable in the UK and Republic of Ireland, the Companies Act 2006. and with the Charities Act 2011.

The British Pig Association 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).

1.2 Changes to accounting policy

No changes to accounting policies have occurred in the reporting period.

1.3 Changes to accounting estimates

No changes to accounting estimates have occurred in the reporting period.

1.4 Material prior year errors

No material prior year errors have been identified in the reporting period.

2. Accounting policies

2.1 Tangible fixed assets

Tangible fixed assets are capitalised at cost or transaction value and are depreciated over their estimated useful economic lives less their estimated residual value, on the following bases:

Furniture, fittings and equipment	: 25% reducing balance
Computer systems and website	: 15% straight line

2.2 Heritage assets

Heritage assets comprise frozen semen bank of rare pedigree pigs that is donated by pedigree pig farmers and purchased by the company. The semen bank is stored at two licensed A.I. Stations approved for freezing and storing frozen pig semen. The Stations are licensed and monitored by the Department of Agriculture. The cost of storing is capitalised. No value is included in the accounts for the donated semen.

THE BRITISH PIG ASSOCIATION

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31st DECEMBER 2018

The trustees annually review depreciation and impairments to assess the carrying value of the assets in the accounts

2.3 Stock

Stock is included at the lower of cost or net realisable value. Donated items of stock are recognised at fair value which is the amount the charity would have been willing to pay for the items on the open market.

2.4 Income

Income is recognised when the charity has entitlement to the funds.

Income from government and other grants, whether ‘capital’ grants or ‘revenue’ grants, is recognised when the charity has entitlement to the funds and any performance conditions attached to the grants have been met.

For legacies, entitlement is taken as the earlier of the date on which either: the charity is aware that probate has been granted, the estate has been finalised and notification has been made by the executor(s) to the Trust that a distribution will be made, or when a distribution is received from the estate.

Voluntary income and donations are accounted for as receivable by the charity. Income from fundraising ventures is shown gross and recognised on an accruals basis, with the associated costs included in fundraising costs. No permanent endowments have been received in the period, but these are dealt with through the Statement of Financial Activities when received.

2.5 Investments

Investments are stated at market value. Realised and unrealised gains and losses on investments are dealt with in the Statement of Financial Activities. Investment income plus associated tax recoverable is credited to income on an accruals basis, using dates of payments for dividends, and daily accruals for interest and dividends.

2.6 Expenditure and irrecoverable VAT

Expenditure is recognised once there is a legal or constructive obligation to make a payment to a third party, it is probable that settlement will be required and the amount of the obligation can be measured reliably. Irrecoverable VAT is charged as a cost under governance costs.

2.7 Challenge cups

No value is included in the accounts for the challenge cups used by the charity itself or as breed Prizes.

THE BRITISH PIG ASSOCIATION

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31st DECEMBER 2018

2.8 Costs of generating voluntary income

This includes staff costs in raising donations for the charity.

2.9 Fundraising costs

Fundraising expenditure comprises costs incurred in inducing people and organisations to contribute financially to the charity's work. This includes the cost of advertising and special fundraising events.

2.10 Expenditure on Governance of the charity

Governance expenditure includes all expenditure not directly related to the charitable activity or fund raising ventures. This includes accommodation costs of running office premises, salaries for administrative staff and audit fees.

3. Analysis of income	<u>Unrestricted Funds</u>	<u>Restricted income funds</u>	<u>Total funds</u>	<u>Prior year funds</u>
	£	£	<u>2018</u>	<u>2017</u>
			£	£
Donations and legacies:				
Legacies	67,462	-	67,462	-
Donations and gifts	9,353	-	9,353	2,028
Gift aid	40,125	-	40,125	42,469
Total	<u>116,940</u>	<u>-</u>	<u>116,940</u>	<u>44,497</u>
Charitable activities:				
Membership subscriptions	45,372	-	45,372	32,905
Fees from breed society	30,716	-	30,716	33,384
Sponsorships, grants and income from supporting activities	295,597	-	295,597	206,096
Total	<u>371,685</u>	<u>-</u>	<u>371,685</u>	<u>272,385</u>
Other:				
H M Revenue & Customs				
Employment allowance	3,000	-	3,000	3,000
Total	<u>3,000</u>	<u>-</u>	<u>3,000</u>	<u>3,000</u>

THE BRITISH PIG ASSOCIATION

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31st DECEMBER 2018

3. Analysis of income (Continued)	<u>Unrestricted Funds</u>	<u>Restricted income funds</u>	<u>Total funds 2018</u>	<u>Prior year funds 2017</u>
	£	£	£	£
Income from investments:				
Interest income	210	3	213	1
Dividend income	18,465	-	18,465	17,955
Total	<u>18,675</u>	<u>3</u>	<u>18,678</u>	<u>17,956</u>
Total income	<u>510,300</u>	<u>3</u>	<u>510,303</u>	<u>337,838</u>
	=====	=====	=====	=====

Other information:

There were no unfulfilled conditions and other contingencies attaching to the sponsorships and grants for activities.

4. Analysis of expenditure	<u>Unrestricted Funds</u>	<u>Restricted income funds</u>	<u>Total 2018</u>	<u>Prior year 2017</u>
	£	£	£	£
Expenditure on raising funds:				
Staff costs apportioned:				
- Seeking donations	4,100	-	4,100	3,800
Advertising and marketing	1,229	-	1,229	1,841
Publication of Practical Pig News	22,675	-	22,675	24,728
Subscriptions and donations	3,293	-	3,293	2,808
Investment management costs	1,237	-	1,237	1,217
Travelling – Promotion of exports	2,282	-	2,282	-
Total	<u>34,816</u>	<u>-</u>	<u>34,816</u>	<u>34,394</u>
	-----	-----	-----	-----

THE BRITISH PIG ASSOCIATION

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31st DECEMBER 2018

4. Analysis of expenditure	Unrestricted <u>Funds</u> £	Restricted <u>income funds</u> £	Total <u>2018</u> £	Prior year <u>2017</u> £
Charitable activities:				
Staff costs apportioned:				
-Operating membership schemes	27,600	-	27,600	28,900
- Management of UK shows and events	10,500	-	10,500	13,000
- Management of overseas exhibitions and events	<u>24,700</u>	-	<u>24,700</u>	<u>19,500</u>
Total staff costs	62,800	-	62,800	61,400
UK shows and events costs	17,867	-	17,867	15,879
Overseas exhibitions and events costs	186,214	-	186,214	105,881
Herd book preparations	428	-	428	1,372
Consultancy on genetics and events	-	-	-	2,840
Project consultancy –ECL travel costs	3,609	-	3,609	-
BLUP benchmarking royalties	700	-	700	700
Total expenditure on charitable activities	<u>271,618</u>	<u>-</u>	<u>271,618</u>	<u>188,072</u>
Governance and support costs:				
Establishment	17,516	-	17,516	15,739
Staff costs apportioned:				
- Administrative	21,043	-	21,043	19,945
Other operating costs	83,070	-	83,070	83,104
Depreciation of tangible fixed assets	5,529	-	5,529	5,435
Total expenditure on governance and support	<u>127,158</u>	<u>-</u>	<u>127,158</u>	<u>124,223</u>
Total expenditure	<u>433,592</u>	<u>-</u>	<u>433,592</u>	<u>346,689</u>
	=====	=====	=====	=====
			<u>2018</u> £	<u>2017</u> £
5. Net income before investment gains/(losses) and after charging:				
Audit fees			3,950	3,950
Depreciation on owned tangible fixed assets			5,529	5,435
			=====	=====

THE BRITISH PIG ASSOCIATION

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31st DECEMBER 2018

	<u>2018</u>	<u>2017</u>	
	£	£	
6. Gains and losses on revaluation of charity's investments:			
Unrealised gains/(losses) on revaluation	(38,654)	17,268	
	=====	=====	
 7. Tangible fixed assets			
	<u>Website</u>	<u>Computer systems</u>	<u>Furniture and equipment</u>
<u>Cost</u>	£	£	£
At 01.01.2018	17,570	68,878	9,377
Disposals – no longer in use	-	(4,091)	(4,937)
Additions	-	200	1,298
	-----	-----	-----
At 31.12.2018	17,570	64,987	5,738
	-----	-----	-----
<u>Depreciation</u>			
At 01.01.2018	12,607	61,509	7,136
Disposals – no longer in use	-	(4,091)	(4,937)
Charge for the year	2,635	1,733	1,161
	-----	-----	-----
At 31.12.2018	15,242	59,151	3,360
	-----	-----	-----
<u>Net Book Value</u>			
At 31.12.2018	2,328	5,836	2,378
	=====	=====	=====
At 31.12.2017	4,963	7,369	2,241
	=====	=====	=====
		<u>2018</u>	<u>2017</u>
		£	£
8. Heritage assets			
Semen bank for protection of rare breeds of pigs:			
At beginning of the year		39,253	23,073
Additions		<u>20,510</u>	<u>16,180</u>
At end of the year		<u>59,763</u>	<u>39,253</u>
		=====	=====

THE BRITISH PIG ASSOCIATION

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31st DECEMBER 2018

8. Heritage assets

Five year summary of heritage assets transactions:

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
	£	£	£	£	£
Donations by members:					
- Values not established	-	-	-	-	-
Additions	17,954	15,450	-	-	-
Annual storage costs	<u>2,556</u>	<u>730</u>	<u>1,690</u>	<u>1,750</u>	<u>2,930</u>
Total additions	<u>20,510</u>	<u>16,180</u>	<u>1,690</u>	<u>1,750</u>	<u>2,930</u>
	=====	=====	=====	=====	=====

The trustees have carried out an annual review for depreciation and impairment to assess the carrying value at the year-end. Depreciation is not provided in view of the continuous replenishment of semen to maintain healthy stocks.

<u>2018</u>	<u>2017</u>
£	£

9. Investment assets

Listed investments: U.K.

Carrying fair value at beginning of year	460,472	443,204
<u>Add: Net gain/(loss) on revaluation</u>	<u>(38,654)</u>	<u>17,268</u>
Carrying fair value at end of year	421,818	460,472
	=====	=====

The charity's investment advisers base fair value on value of the security quoted on the London Stock Exchange.

Historic cost of listed investments on 31st December 2018 was £397,856 (2017: £397,856).

10. Debtors

Amounts falling due within one year:

Trade debtors	97,832	60,668
Prepayments and other debtors	8,238	8,184
Tax recoverable	35,086	36,020
	<u>141,156</u>	<u>104,872</u>
	=====	=====

THE BRITISH PIG ASSOCIATION

NOTES TO THE ACCOUNTS (Continued)

FOR THE YEAR ENDED 31st DECEMBER 2018

	<u>2018</u>	<u>2017</u>
	£	£
11. Creditors		
Amounts falling due within one year:		
Accrual for grants repayable	14,224	25,884
Trade creditors	37,815	70,944
Accruals	11,153	10,127
Taxation and social security	15,314	1,315
	78,506	108,270
	=====	=====
12. Charity funds		
Restricted income funds available for specific projects:		
Geoffrey Cloke Memorial Fund	3,157	3,154
Large White Breeders' Memorial Fund	1,207	1,207
Irish Members' Committee Fund	313	313
At end of the year	4,677	4,674
	-----	-----
Unrestricted income funds:		
At beginning of the year	546,251	555,103
Net income/(deficit) for the year	<u>76,708</u>	<u>(8,852)</u>
At end of the year	622,959	546,251
	-----	-----
Revaluation reserve: Gain on revaluation of listed investments		
At beginning of the year	62,618	45,350
<u>Add: Net gain on revaluation</u>	<u>(38,654)</u>	<u>17,268</u>
At end of the year	23,964	62,618
	-----	-----
Total funds at year end	651,600	613,543

THE BRITISH PIG ASSOCIATIONNOTES TO THE ACCOUNTS (Continued)FOR THE YEAR ENDED 31st DECEMBER 2018

	<u>2018</u>	<u>2017</u>
	£	£
13. Staff costs: Paid employees		
Salaries and wages	78,594	76,448
Social security costs	8,287	8,112
Statutory pension costs	1,062	585
Total staff costs	<u>87,943</u>	<u>85,145</u>
	=====	=====
Staff costs apportionment based on activities during the year:		
- Seeking donations	4,100	3,800
- Operating membership schemes	27,600	28,900
- Management of UK shows and events	10,500	13,000
- Management of overseas exhibitions and events	24,700	19,500
- Governance costs	21,043	19,945
	<u>87,943</u>	<u>85,145</u>
	=====	=====
The average number of persons employed by the charity during the year was as follows:		
Governance, charitable activities and fundraising	3	3
	===	===

13. Trustees' expenses

No remuneration was paid to trustees in the year. Expenses reimbursed to them were:

Trustees' meeting expenses:

Travel, subsistence and accommodation	9,175	9,785
	=====	=====

THE BRITISH PIG ASSOCIATIONNOTES TO THE ACCOUNTS (Continued)FOR THE YEAR ENDED 31st DECEMBER 2018**14. Future financial commitments****Operating leases:**

At 31st December 2018 the company had annual commitments under operating leases as set out below:

<u>Operating leases which expire:</u>	<u>2018</u>		<u>2017</u>	
	<u>Land & buildings</u> £	<u>Other</u> £	<u>Land & buildings</u> £	<u>Other</u> £
(a) within one year	-	-	-	-
(b) in the second to fifth years	11,539	9,147	-	5,342
(c) over 5 years	-	-	11,539	3,805
	=====	=====	=====	=====

The company's total future financial commitments under operating leases are £82,166 (2017: £102,852).