REGISTERED COMPANY NUMBER: SC219601 (Scotland)
REGISTERED CHARITY NUMBER: 022355

# Report of the Trustees and

# Financial Statements for the Year Ended 31st December 2025

for

# Black Isle Farmers' Society

Frame Kennedy Ltd
4th Floor Metropolitan House
31-33 High Street
Inverness
IV1 1HT

Black Isle Farmers' Society

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for the year ended 31st December 2025


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**Black Isle Farmers' Society**

**Report of the Trustees**
**for the year ended 31st December 2025**

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The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31st December 2025. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019).

**Objectives and activities**
**Objectives and aims**
Black Isle Farmers exists to promote the interests of farming, agriculture and the countryside to the general public with the main medium for this being the annual Black Isle Show, held on its purpose-built permanent site at Mannsfield, Muir of Ord on the first Thursday in August each year.

Other annual events normally include; a ploughing match held on Black Isle farms on the first Saturday of February; a barbeque on the second Saturday in July; a trophy presentation, dinner and dance at the start of November; a dinner for Past Presidents and General Committee members in December.

In addition, many members of the Society contribute their time, experience and expertise in educating primary school children in conjunction with RHET (Royal Highland Education Trust) through visits to local schools and more notably since 2009 the Society hosted an event in June where around 300 children visit Mannsfield Showground and are shown all aspects of modern farming practices by means of practical demonstrations given by Society members.

Since 2014 this event has grown due to its popularity and now takes place over two consecutive days in late May/early June.

During the annual Black Isle Show the General Committee members, volunteers and Trustees undertake an education and advisory role where they are clearly identifiable to the public.

The charity will continue to make contributions to the work of educational trusts such as the Northern Countryside Initiative, RHET (Royal Highland Educational Trust) etc where their work and objectives are similar to that of the Black Isle Farmers' Society.

The Trustees inaugurated a Bursary Scheme in 2014 which is available to students and young people from the Highlands and Islands to study and gain qualifications in a rural or agriculturally related subject. Practical and vocational courses are also considered for an award from this fund. The Bursary Scheme awarded £5,642 in 2025 (£2,200 in 2024), to encourage and help students and young people in these difficult times. 2025 saw twelve applications.

The policy of the General Committee and the Trustees is to improve for the benefit of the visiting public the facilities available to them on the permanent show-field at Mannsfield. This programme of capital investment has amounted to over £1,600,000 in the last 16 years viz - building 3 permanent toilet blocks, tarring all the previously metalled roadways, building 7 purpose built sheds to offset the rising annual costs of marquee hire, building permanent pay-booths, purchasing and upgrading cattle and sheep gates, installation of permanent electricity supplies, installation of solar panels and many more capital items to make the Society more self-sufficient and help with future proofing against rising costs.

## Objectives and activities

### Contribution made by Volunteers

There are many volunteers, members of the Society, General Committee members, Trustees and others who give freely of their time to run the activities of the charity. The time and expertise, which they freely give, benefits the charity financially and this allows the charity to achieve a surplus which can then be spent on achieving its objectives. The contribution made by these volunteers to the many projects undertaken has been estimated in terms of costs saved of around £60,000 in terms of time given, expertise and machinery and equipment contributions.

## Achievements and performance

### Achievements and performance

As previously mentioned, the charity has improved its facilities greatly over the last 20 years. These improvements have added to the enjoyment of the annual Black Isle Show by the general public and to ensure their continued attendance. In this current year there has been no capital expenditure but there is always ongoing maintenance and repairs which has to be undertaken to ensure that the condition of existing capital equipment is kept at a high standard for future years.

## Financial review

### Reserves policy

The trustees constantly monitor the cash reserves and have agreed that this figure should not fall below £170,000. This is the amount of money that the trustees estimated it would cost in unrecoverable fees and services if the Black Isle Show had to be cancelled for any unforeseen circumstances in the lead up before the show. The present level of undesignated unrestricted reserves available to the charity are £675,639 (2024 - £714,163) which includes tangible fixed assets to a value of £308,937 (2024 - £350,516). This leaves liquid reserves of £366,702 (2024 - £363,647) at 31 December 2025.

## Future plans

The Society has invested in dedicated livestock exhibition sheds and this has attracted cattle and sheep breed societies' "national shows" - Cattle breeds -Limousin, Aberdeen Angus, Highland and Simmental. Charolais in 2017; and Highland in 2018. Sheep breeds - North Country Cheviot, Zwartbles, Jacob, Blue Faced Leicester and Beltex. The building of these facilities has helped to at least maintain cattle numbers coming forward to the Show but specifically has helped to increase numbers of sheep entered.

For 2018 the committee agreed that the Society should have a local cattle class thereby encouraging competitors who are local Society members. In 2024 the Society once again held a "Tractor Push" competition on the Wednesday evening prior to the Show hopefully attracting teams of 5 people from local charities and volunteer groups and the Society has put up a prize pot to the winners.

The trustees continue to maintain a close watch on costs and income streams and trends during 2025, and into 2026.

## Structure, governance and management

### Governing document

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

The organisation is a charitable company limited by guarantee. The company was established under a Memorandum and Articles of Association which established the objects and powers of the charitable company and is governed under its Articles of Association.

**Structure, governance and management**
**Recruitment and appointment of new trustees**
The trustees are elected by the members of the General Committee, which numbers 65 people. The trustees serve a term which is set down at number 51 in the Articles of Association. At General Committee meetings there are around 30 members present.

Trustees serve on the General Committee for a number of years to familiarise themselves as to the running of the charity. When a candidate shows aptitude and is willing to serve as a trustee then they are proposed at the Annual General Meeting to the post of Junior Vice President which is the first "rung" of the management ladder.

The board of trustees, which has 11 members, administers the charity. The board meets regularly as and when required. There are sub-committees covering ploughing match, horse, livestock, capital improvements, showground etc. An administrator has been employed by the Society on a year to year basis to manage the day to day operations of the charity. To facilitate effective operations, the administrator, within terms of delegation approved by the trustees, for operational matters including finance, engagement of contractors and services supplied to the charity.

**Risk management**
The trustees have a duty to identify and review the risks to which the charity is exposed and to ensure appropriate controls are in place to provide reasonable assurance against fraud and error.

The trustees have a risk management strategy which comprises: -
- an annual review of the risks the charity may face;
- the establishment of systems and procedures to mitigate those risks identified in the plan; and
- the implementation of procedures designed to minimise any potential impact on the charity should those risks materialise.

This work has identified only a few minor new risks but it has resulted in better emergency procedures and contingency plans and has given the impetus for better planning. Particular attention has focused on non-financial risks arising from fire, health and safety of the public at the Black Isle Show with the appointment of a Health and Safety specialist firm who provide the expertise in this field. A key element in the management of financial risk is the setting of a reserves policy and its regular review by trustees. The main risk to the charity has always been the potential cancellation of the Black Isle Show at the last minute due to circumstances out with the control of the trustees such as weather, outbreak of disease, natural disasters etc, when all the services have been engaged and paid for and no refunds can be obtained. This amount was previously estimated at around £170,000 and is constantly under review which has helped the trustees minimise the position they found themselves in during this financial year when Covid 19 forced the cancellation of the show in August 2020 and August 2021.

**Reference and administrative details**
**Registered Company number**
SC219601 (Scotland)

**Registered Charity number**
022355

**Registered office**
4th Floor Metropolitan House
31-33 High Street
Inverness
Inverness-shire
IV1 1HT

**Trustees**
T Henderson
B D Macleod
J G Mair
C C Nicol
J M Cameron
D H MacIver
A Grant
N J MacIver (appointed 1.1.2025)
S K MacLennan (appointed 1.1.2025)
G A MacIver (appointed 1.1.2025)
G MacPherson (appointed 1.1.2026)

**Auditors**
Frame Kennedy Ltd
4th Floor Metropolitan House
31-33 High Street
Inverness
IV1 1HT

**Statement of trustees' responsibilities**
The trustees (who are also the directors of Black Isle Farmers' Society for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year. Under that law, the trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to

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

**Statement of trustees' responsibilities - continued**

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

In so far as the trustees are aware:

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

**Auditors**

The auditors, Frame Kennedy Ltd, will be proposed for re-appointment at the forthcoming Annual General Meeting.

Approved by order of the board of trustees on 13th August 2026 and signed on its behalf by:



T Henderson - Trustee

## Report of the Independent Auditors to the Trustees and Members of Black Isle Farmers' Society

### Opinion

We have audited the financial statements of Black Isle Farmers' Society (the 'charitable company') for the year ended 31st December 2025 which comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31st December 2025 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and Regulation 8 of the Charities Accounts (Scotland) Regulations 2006.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 19 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Conclusions relating to going concern

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

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

### Other information

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

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**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 Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Trustees 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the Trustees.

We have nothing to report in respect of the following matters where the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper 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 trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to take advantage of the small companies exemption from the requirement to prepare a Strategic Report or in preparing the Report of the Trustees.

**Responsibilities of trustees**

As explained more fully in the Statement of Trustees' Responsibilities, 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 the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

**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 a Report of the Independent Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Identifying and responding to risks of material misstatements due to fraud

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

- Enquiring of trustees and management as to the charitable company's policies and procedures to prevent and detect fraud as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading committee minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

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

As required by auditing standards, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular the risk that charitable income is recorded in the incorrect accounting period, the risk that management may be in a position to make inappropriate accounting entries, and the risk of bias in accounting estimates and judgements.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation.
- Assessing significant accounting estimates for bias.

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

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

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

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

Firstly, the charitable company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including the Charities SORP) and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the charitable company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have an effect: health and safety, employment law and aspects of company and charity legislation, recognising the nature of the charitable company's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the trustees and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

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

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

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

**Use of our report**
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, in accordance with Regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and the trustees those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Stuart McMartin B.Sc. FCA (Senior Statutory Auditor)
for and on behalf of Frame Kennedy Ltd
Eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
4th Floor Metropolitan House
31-33 High Street
Inverness
IV1 1HT

13th August 2026

Black Isle Farmers' Society

Statement of Financial Activities
for the year ended 31st December 2025

| | Notes | Unrestricted fund £ | Restricted fund £ | 2025 Total funds £ | 2024 Total funds £ |
|---|---|---|---|---|---|
| **Income and endowments from** | | | | | |
| Donations and legacies | 2 | **5,752** | - | **5,752** | 2,667 |
| **Charitable activities** | 4 | | | | |
| General | | **513,356** | - | **513,356** | 536,096 |
| Investment income | 3 | **6,048** | - | **6,048** | 5,570 |
| Other income | | **32,268** | - | **32,268** | 47,675 |
| **Total** | | **557,424** | - | **557,424** | 592,008 |
| **Expenditure on** | | | | | |
| Raising funds | 5 | - | - | - | 189 |
| **Charitable activities** | 6 | | | | |
| General | | **606,993** | **8,129** | **615,122** | 547,719 |
| **Total** | | **606,993** | **8,129** | **615,122** | 547,908 |
| Net gains on investments | | **11,045** | - | **11,045** | 5,041 |
| **NET INCOME/(EXPENDITURE)** | | **(38,524)** | **(8,129)** | **(46,653)** | 49,141 |
| **Reconciliation of funds** | | | | | |
| Total funds brought forward | | **714,163** | **73,160** | **787,323** | 738,182 |
| **Total funds carried forward** | | **675,639** | **65,031** | **740,670** | 787,323 |

The notes form part of these financial statements

Black Isle Farmers' Society

Balance Sheet
31st December 2025

| | Notes | Unrestricted fund £ | Restricted fund £ | 2025 Total funds £ | 2024 Total funds £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Tangible assets | 12 | **308,937** | **65,031** | **373,968** | 423,676 |
| Investments | 13 | **149,202** | **-** | **149,202** | 135,209 |
| | | **458,139** | **65,031** | **523,170** | 558,885 |
| **Current assets** | | | | | |
| Stocks | 14 | **5,386** | **-** | **5,386** | 2,476 |
| Debtors | 15 | **17,407** | **-** | **17,407** | 36,172 |
| Cash at bank and in hand | | **249,320** | **-** | **249,320** | 238,457 |
| | | **272,113** | **-** | **272,113** | 277,105 |
| **Creditors** | | | | | |
| Amounts falling due within one year | 16 | **(54,613)** | **-** | **(54,613)** | (48,667) |
| **Net current assets** | | **217,500** | **-** | **217,500** | 228,438 |
| **Total assets less current liabilities** | | **675,639** | **65,031** | **740,670** | 787,323 |
| **NET ASSETS** | | **675,639** | **65,031** | **740,670** | 787,323 |
| **Funds** | 17 | | | | |
| Unrestricted funds | | | | **675,639** | 714,163 |
| Restricted funds | | | | **65,031** | 73,160 |
| **Total funds** | | | | **740,670** | 787,323 |

These financial statements have been prepared in accordance with the provisions applicable to charitable companies subject to the small companies regime.

The financial statements were approved by the Board of Trustees and authorised for issue on 13th August 2026 and were signed on its behalf by:

T Henderson - Trustee

The notes form part of these financial statements

Black Isle Farmers' Society

Cash Flow Statement
for the year ended 31st December 2025

| | Notes | 2025 £ | 2024 £ |
|---|---|---|---|
| **Cash flows from operating activities** | | | |
| Cash generated from operations | 1 | **24,035** | 75,217 |
| Net cash provided by operating activities | | **24,035** | 75,217 |
| **Cash flows from investing activities** | | | |
| Purchase of tangible fixed assets | | **(18,952)** | (46,661) |
| Purchase of fixed asset investments | | **(2,948)** | (2,558) |
| Sale of tangible fixed assets | | **2,680** | - |
| Interest received | | **2,596** | 2,531 |
| Dividends received | | **3,452** | 3,039 |
| Net cash used in investing activities | | **(13,172)** | (43,649) |
| **Change in cash and cash equivalents in the reporting period** | | **10,863** | 31,568 |
| **Cash and cash equivalents at the beginning of the reporting period** | | **238,457** | 206,889 |
| **Cash and cash equivalents at the end of the reporting period** | | **249,320** | 238,457 |

The notes form part of these financial statements

Black Isle Farmers' Society

Notes to the Cash Flow Statement
for the year ended 31st December 2025

1. Reconciliation of net (expenditure)/income to net cash flow from operating activities

| | 2025 £ | 2024 £ |
|---|---|---|
| **Net (expenditure)/income for the reporting period (as per the Statement of Financial Activities)** | **(46,653)** | 49,141 |
| **Adjustments for:** | | |
| Depreciation charges | **63,062** | 66,270 |
| Gain on investments | **(11,045)** | (5,041) |
| Loss on disposal of fixed assets | **2,918** | - |
| Interest received | **(2,596)** | (2,531) |
| Dividends received | **(3,452)** | (3,039) |
| (Increase)/decrease in stocks | **(2,910)** | 1,546 |
| Decrease/(increase) in debtors | **18,765** | (32,985) |
| Increase in creditors | **5,946** | 1,856 |
| **Net cash provided by operations** | **24,035** | 75,217 |

2. Analysis of changes in net funds

| | At 1/1/25 £ | Cash flow £ | At 31/12/25 £ |
|---|---|---|---|
| **Net cash** | | | |
| Cash at bank and in hand | **238,457** | **10,863** | **249,320** |
| | **238,457** | **10,863** | **249,320** |
| **Total** | **238,457** | **10,863** | **249,320** |

The notes form part of these financial statements

## 1. Accounting policies

**Basis of preparing the financial statements**

The financial statements of the charitable company, which is a public benefit entity under FRS 102, have been prepared in accordance with the Charities SORP (FRS 102) 'Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)', Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets.

The financial statements are prepared in sterling, which is the functional currency of the entity.

**Financial instruments**

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

1. Accounting policies - continued

**Incoming resources**

All incoming resources are included in the statement of financial activities when entitlement has passed to the charity; it is probable that the economic benefits associated with the transaction will flow to the charity and the amount can be reliably measured. The following specific policies are applied to particular categories of income:

- Income from donations or grants is recognised when there is evidence of entitlement to the gift, receipt is probable and its amount can be measured reliably.
- legacy income is recognised when receipt is probable and entitlement is established.
- income from donated goods is measured at the fair value of the goods unless this is impractical to measure reliably, in which case the value is derived from the cost to the donor or the estimated resale value. Donated facilities and services are recognised in the accounts when received if the value can be reliably measured. No amounts are included for the contribution of general volunteers.
- income from contracts for the supply of services is recognised with the delivery of the contracted service. This is classified as unrestricted funds unless there is a contractual requirement for it to be spent on a particular purpose and returned if unspent, in which case it may be regarded as restricted.

**Resources expended**

Expenditure is recognised on an accruals basis as a liability is incurred. Expenditure includes any VAT which cannot be fully recovered, and is classified under headings of the statement of financial activities to which it relates:

- expenditure on raising funds includes the costs of all fundraising activities, events, non-charitable trading activities, and the sale of donated goods.
- expenditure on charitable activities includes all costs incurred by a charity in undertaking activities that further its charitable aims for the benefit of its beneficiaries, including those support costs and costs relating to the governance of the charity apportioned to charitable activities.
- other expenditure includes all expenditure that is neither related to raising funds for the charity nor part of its expenditure on charitable activities.

All costs are allocated to expenditure categories reflecting the use of the resource. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs are apportioned between the activities they contribute to on a reasonable, justifiable and consistent basis.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|---|---|
| Freehold property | - No depreciation and Straight line over 5 years |
| Plant and machinery | - 5% on cost |
| Fixtures and fittings | - 25% on cost |

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

1. Accounting policies - continued

**Tangible fixed assets**
An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

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

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

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

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

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

**Hire purchase and leasing commitments**
Rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the period of the lease.

**Limited by guarantee**
Black Isle Farmers' Society is a company limited by guarantee and accordingly does not have a share capital.

Every member of the company undertakes to contribute such amount as may be required not exceeding £1 to the assets of the charitable company in the event of its being wound up while he or she is a member, or within one year after he or she ceases to be a member.

**Investment**

Unlisted equity investments are initially recorded at cost, and subsequently measured at fair value. If fair value cannot be reliably measured, assets are measured at cost less impairment.

Listed investments are measured at fair value with changes in fair value being recognised in income or expenditure.

## 2. Donations and legacies

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Donations | 1,230 | 440 |
| Memberships and subscriptions | 4,522 | 2,227 |
| | 5,752 | 2,667 |

## 3. Investment income

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Investment income | 3,452 | 3,039 |
| Deposit account interest | 2,596 | 2,531 |
| | 6,048 | 5,570 |

## 4. Income from charitable activities

| | Activity | 2025 | 2024 |
|---|---|---|---|
| | | £ | £ |
| Ploughing match | General | 6,693 | 10,476 |
| Sponsorship | General | 25,450 | 23,544 |
| Bar sales | General | 56,575 | 58,273 |
| Barbecue | General | 1,348 | 1,447 |
| Grants | General | - | 9,000 |
| Catalogues | General | 6,267 | 8,178 |
| Presidents dinner | General | 700 | 1,649 |
| Show admission charges | General | 187,464 | 183,223 |
| Show entry fees | General | 36,557 | 32,216 |
| Trade stands | General | 185,873 | 186,444 |
| Trophy dinner | General | 2,967 | 2,769 |
| Other income | General | 3,462 | 18,877 |
| | | 513,356 | 536,096 |

Grants received, included in the above, are as follows:

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Grants | - | 9,000 |

## 5. Raising funds

### Other trading activities

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Bad debts | - | 189 |

## 6. Charitable activities costs

| | Direct Costs | Support costs (see note 7) | Totals |
|---|---|---|---|
| | £ | £ | £ |
| General | 594,782 | 20,340 | 615,122 |

## 7. Support costs

| | Finance | Governance costs | Totals |
|---|---|---|---|
| | £ | £ | £ |
| General | 4,826 | 15,514 | 20,340 |

## 8. Net income/(expenditure)

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

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Auditors' remuneration | 10,500 | 7,500 |
| Depreciation - owned assets | 63,062 | 66,270 |
| Hire of plant and machinery | 10,294 | 12,976 |
| Deficit on disposal of fixed assets | 2,918 | - |

The accountancy costs for the year ended 31st December 2025 was £5,014 (2024 - £5,771).

The audit fee for the year ended 31st December 2025 was £9,000 (2024 - £9,000).

## 9. Trustees' remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31st December 2025 nor for the year ended 31st December 2024.

**Trustees' expenses**

There were no trustees' expenses paid for the year ended 31st December 2025 nor for the year ended 31st December 2024.

## 10. Staff costs

The average head count of employees during the year was 1 (2024: 1).

No employee received employee benefits of more than £60,000 during the year (2024: Nil).

## 11. Comparatives for the statement of financial activities

| | Unrestricted fund £ | Restricted fund £ | Total funds £ |
|---|---|---|---|
| **Income and endowments from** | | | |
| Donations and legacies | 2,667 | - | 2,667 |
| **Charitable activities** | | | |
| General | 536,096 | - | 536,096 |
| Investment income | 5,570 | - | 5,570 |
| Other income | 47,675 | - | 47,675 |
| **Total** | 592,008 | - | 592,008 |
| **Expenditure on** | | | |
| Raising funds | 189 | - | 189 |
| **Charitable activities** | | | |
| General | 539,222 | 8,497 | 547,719 |
| **Total** | 539,411 | 8,497 | 547,908 |
| Net gains on investments | 5,041 | - | 5,041 |
| **NET INCOME/(EXPENDITURE)** | 57,638 | (8,497) | 49,141 |
| **Reconciliation of funds** | | | |
| Total funds brought forward | 656,525 | 81,657 | 738,182 |

11. Comparatives for the statement of financial activities - continued

| | Unrestricted fund £ | Restricted fund £ | Total funds £ |
|---|---|---|---|
| Total funds carried forward | 714,163 | 73,160 | 787,323 |

12. Tangible fixed assets

| | Freehold property £ | Plant and machinery £ | Fixtures and fittings £ | Totals £ |
|---|---|---|---|---|
| **Cost** | | | | |
| At 1st January 2025 | 1,111,322 | 337,895 | 1,058 | 1,450,275 |
| Additions | - | 18,952 | - | 18,952 |
| Disposals | (1,929) | (19,297) | (602) | (21,828) |
| At 31st December 2025 | 1,109,393 | 337,550 | 456 | 1,447,399 |
| **Depreciation** | | | | |
| At 1st January 2025 | 832,334 | 193,493 | 772 | 1,026,599 |
| Charge for year | 48,777 | 14,221 | 64 | 63,062 |
| Eliminated on disposal | (995) | (14,662) | (573) | (16,230) |
| At 31st December 2025 | 880,116 | 193,052 | 263 | 1,073,431 |
| **Net book value** | | | | |
| At 31st December 2025 | 229,277 | 144,498 | 193 | 373,968 |
| At 31st December 2024 | 278,988 | 144,402 | 286 | 423,676 |

13. Fixed asset investments

| | Unlisted investments £ |
|---|---|
| **Market value** | |
| At 1st January 2025 | 135,209 |
| Fair value movements | 13,993 |
| At 31st December 2025 | 149,202 |
| **Net book value** | |
| At 31st December 2025 | 149,202 |
| At 31st December 2024 | 135,209 |

## 13. Fixed asset investments - continued

There were no investment assets outside the UK.

Cost or valuation at 31st December 2025 is represented by:

| | Unlisted investments |
|---|---|
| | £ |
| Valuation in 2018 | 108,381 |
| Valuation in 2019 | 13,495 |
| Valuation in 2020 | (1,188) |
| Valuation in 2021 | 10,931 |
| Valuation in 2022 | (12,717) |
| Valuation in 2023 | 8,708 |
| Valuation in 2024 | 7,599 |
| Valuation in 2025 | 13,993 |
| | 149,202 |

All investments shown above are held at valuation.

## 14. Stocks

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Stocks | 5,386 | 2,476 |

## 15. Debtors: amounts falling due within one year

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Trade debtors | (641) | 538 |
| Other debtors | 10,698 | 35,409 |
| Prepayments and accrued income | 7,350 | 225 |
| | 17,407 | 36,172 |

## 16. Creditors: amounts falling due within one year

| | 2025 | 2024 |
|---|---|---|
| | £ | £ |
| Trade creditors | 13,068 | - |
| Other creditors | 41,545 | 48,667 |
| | 54,613 | 48,667 |

## 17. Movement in funds

| | At 1/1/25 | Net movement in funds | At 31/12/25 |
|---|---|---|---|
| | £ | £ | £ |
| **Unrestricted funds** | | | |
| General fund | 714,163 | (38,524) | 675,639 |
| **Restricted funds** | | | |
| Restricted fund | 73,160 | (8,129) | 65,031 |
| **TOTAL FUNDS** | 787,323 | (46,653) | 740,670 |

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

| | Incoming resources | Resources expended | Gains and losses | Movement in funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Unrestricted funds** | | | | |
| General fund | 557,424 | (606,993) | 11,045 | (38,524) |
| **Restricted funds** | | | | |
| Restricted fund | - | (8,129) | - | (8,129) |
| **TOTAL FUNDS** | 557,424 | (615,122) | 11,045 | (46,653) |

17. Movement in funds - continued

Comparatives for movement in funds

| | At 1/1/24 | Net movement in funds | At 31/12/24 |
|---|---|---|---|
| | £ | £ | £ |
| **Unrestricted fund** | 656,525 | 57,638 | 714,163 |
| **Restricted fund** | | | |
| Restricted fund | 81,657 | (8,497) | 73,160 |
| **TOTAL FUNDS** | 738,182 | 49,141 | 787,323 |

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

| | Incoming resources | Resources expended | Gains and losses | Movement in funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Unrestricted fund** | 592,008 | (539,411) | 5,041 | 57,638 |
| **Restricted fund** | | | | |
| Restricted fund | - | (8,497) | - | (8,497) |
| **TOTAL FUNDS** | 592,008 | (547,908) | 5,041 | 49,141 |

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

| | At 1/1/24 | Net movement in funds | At 31/12/25 |
|---|---|---|---|
| | £ | £ | £ |
| **Unrestricted fund** | 656,525 | 19,114 | 675,639 |
| **Restricted fund** | | | |
| Restricted fund | 81,657 | (16,626) | 65,031 |
| **TOTAL FUNDS** | 738,182 | 2,488 | 740,670 |

## 17. Movement in funds - continued

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

| | Incoming resources | Resources expended | Gains and losses | Movement in funds |
|---|---|---|---|---|
| | £ | £ | £ | £ |
| **Unrestricted fund** | 1,149,432 | (1,146,404) | 16,086 | 19,114 |
| **Restricted fund** | | | | |
| Restricted fund | - | (16,626) | - | (16,626) |
| **TOTAL FUNDS** | 1,149,432 | (1,163,030) | 16,086 | 2,488 |

## 18. Related party disclosures

The following businesses connected to Trustees and general committee members have provided services to the Society on an arms length basis during the year ended 31 December 2025.

A Grant - Firm of A Grant - Haulage services £3,240 (2024 : £3,540).

The following businesses connected to members of the general committee have provided services to the Society on an arms length basis during the year ended 31 December 2025.

D Gardner - Highland Technical - IT, CCTV & audio services £6,308 (2024 : £26,851).

I Fraser - Fraser Contracting - Electrical services £20,057 (2024 : £21,408).

A Martin - WW Martin & Son - Field rental for car parking £8,401 (2024: £8,401).

J Munro - Frame Kennedy Ltd - Accountancy, tax and audit services £14,014 (2024 : £7,887).

Balances outstanding with the parties above as at 31 December 2025 included:
I Fraser - Fraser Contracting - Electrical services - £144 (2024 : £nil).
J Munro - Frame Kennedy Ltd - Accountancy, tax and audit services - £9,090 (2024 : £nil).

## 19. Frc ethical standard - provisions available for small entities

In common with many other businesses of our size and nature we use our auditors to prepare and submit returns to the tax authorities and assist with the preparation of the financial statements.