Chief Executive's Report

The Board remains focused on maintaining, developing, and delivering core services, in support of the Society's charitable purpose. Specific to this aim, is the retention of high-quality staff, resourced with the most appropriate modern tools.

Breed development and data collection activity is clearly defined in the Society strategy documents, assisting the future proofing of Society services and retaining the breed's enviable position in the marketplace.

Investment in top class communications remains a high priority, with in depth reporting of events, sales activity and flock features, published through the Society's printed publications, website and social media. Extensive use of digital media is blended with the printed material, distributed directly to Society members and their marketplace. With significant budget provided to support these communications

The Society Board has a vision of adopting digital technology, critical to providing and future proofing its modern services on behalf of its membership and in support of the promotion and development of the breed.

Business performance highlights.

- Development (Phase 2 and 3) of the iTexel database with £77,722 investment capitalised, providing enhanced functionality for flock registry management, storage and reporting of traits data, cataloguing and animal / member search tools.

- Project completed; £23,904 part funded by Centre for Innovation Excellence in Livestock (CIEL), matched funded with £29,216 of Society funds, focused on business road mapping to support genetic and genomic evaluation services. Supported by a collaboration between the Society, Abacus Bio, SRUC Egenes and Map of Ag (Rezare UK Ltd).

- Review of texelplus genetic improvement services with a £35,000 annual commitment made by the board to vastly reduce the cost of this service to members. Encouraging increase of collection of trait measures and use of evaluations.

- The Board approved an £85,000 project with Abacus Bio for a major review of the Society's "Texel Breeding Objective" (January-August 2022), £26,700 included in the current year. Objectives providing industry leading initiative, moving trait indexes to Economic Indexes, with additional reports of economic and environmental impact assessment of the breed as a result of genetic improvement.

- Highly successful sales cataloguing services provided through iTexel to support club administrators, with digital sales entries and collection and reimbursement of £43,000 entry fees on behalf of clubs.

The full financial performance of the society is detailed in the Trustees and Financial statements for year ended March 31st 2022.

The future outlook is very promising for the Society, with a robust inflow of income and well managed expenditure. Additionally, market surveys from a recent industry census show Texel market share has grown in the last decade, with 27% of sires used in the UK Industry, not including the influence of Texel genetics in composite breeds. And a 17% influence of Texel genetics on the national ewe flock.

Sales performance is reported thoroughly during the year communicated through Society publications.

Marketing campaigns, supported by the Society's Primestock publication, distributed to more than 60,000 livestock farmers prior to the main sales season each year, include important production statistics.

CAN YOU AFFORD NOT TO USE PEDIGREE TEXELS?

- Texel lambs regularly **earn up to 33% premiums** over live market averages*
- **85%** of Texel sire lambs are **'in spec'****
- Texels add **£23m/year** to industry ***
- **Efficient, Resilient and Prolific**

** Thainstone, United Auctions, Carlisle and Caledonian Marts market reports March 2022*
*** Texel Sheep Society Taste vs Waste trial 2019*
**** Abacus Bio 2015*

Maintaining core services to membership that are fit for the future is essential if the Society is to remain of purpose, be financially sustainable and successful. The Society's digital vision, improving data services and member and industry communications are critical components for future proofing society services.

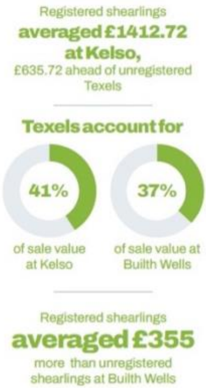
Registry services are supported by the recently launched iTexel database, which has proven popular with members. Registry services remain stable.

The next strategic steps involve attracting new funds to the Society through collaborative research projects, further investment in its iTexel database to support added value services to its membership and optimising the Society's texelplus phenotyping and genotyping genetic improvement services. With continued investment to support the maintenance and growth of its shows, sales & events activity.

The Society operates in a changing landscape with government Agri policies now taking shape, being implemented over its 7-year transitional period that began in 2021. The new Agri policies, while not directly impacting the Society, indirectly impact as they disrupt farming income, both changing behaviour of farmers and the income they receive. It is these farming businesses that largely make up the demographic of the Society membership and remain the focus for developing Society services for their benefit, with the need to ensure that the services add value to those using them.

Marketplace performance at commercial sales clearly shows a major price point difference between the value placed on pedigree registered Texel stock and non-registered rams.

	Builth	Kelso
Average price of Registered Shearlings	£935.45	£1,412.72
Average price of non-registered shearling	£577	£777
Registered shearling % of gross sale value	27%	29.60%
Non-registered shearling % of gross sale value	4%	12%
Registered shearling top price	£8,400	£65,000
Non-registered shearling top price	£1,449	£2,400



The Society must continue to enhance pedigree services, support breed development through its texelplus services, and continue its thorough communication to its membership and wider industry using the most appropriate and cost-effective media.

These activities require the Society's own investment and where appropriate and available, grant support will be sought and utilised for R&D activity, in collaboration with strategic partners to ensure a positive operating performance and balance sheet is maintained.

John Yates

Chief Executive