AGM 2024

Saturday 16th November
09.30am

Crowne Plaza Hotel,
Chester, CH1 2BD

Further information available at

texel.uk/our-society/agm/

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Notice of the Annual General Meeting	
Notice is hereby given that the Annual General Meeting of the British Texel Sheep Society Limited will be held at **Crowne Plaza Hotel, Chester, CH1 2BD, on Saturday 16th November 2024 at 9.30am** for the following purposes.	
1.	To Receive apologies for absence
2.	**RESOLUTION:** Approval of the minutes and Matters Arising of the AGM which took place **on 23rd November 2023 at Woodland Grange, Old Milverton Lane, Royal Leamington Spa CV32 6RN**
3.	To receive the Chairman's report
4.	To receive the Chief Executive's report
5.	**RESOLUTION:** To receive, consider and adopt the income and expenditure account for the **year ended 31st March 2024** and the balance sheet as at that date and; to receive, consider and adopt the reports of the Board of Directors and the Auditors for the yea**r ended 31st March 2024.**
6.	**RESOLUTION:** To confirm the appointment of Dafferns LLP as the Auditors for the Society and to authorise the Board of Directors to fix their remuneration.
7.	**Announcement of Board of Directors election results** Area 3 South East of Scotland, Neil Harvey, Blackadder HNQ- unopposed Area 5 North East of England, Position vacant Area 7 East of England, Steve Martin, Broomhall BMO – unopposed
8.	Any other business that has been approved by the Chairman for discussion.

By order of the board

John Yates MBA
Chief Executive & Company Secretary 30/09/2024

The Mechanics Workshop, New Lanark, Lanark, ML11 9DB

List of Directors' attendance at Board meetings - 1st April 2023 - 31st March 2024

Director	Area	Performance	4th Apr 2023	20th Jul 2023	1st Aug 2023	23rd Nov 2023 (A)	23rd Nov 2023 (B)	21st Mar 2024
Graeme Knox - **Retired**	1	**3 of 4**	✓		✓	✓		
David McKerrow	1	**2 of 2**					✓	✓
Robert Laird	2	**4 of 6**	✓	✓	✓			✓
John Elliot - **Retired**	3	**0 of 1**						
Neil Harvey	3	**2 of 2**					✓	✓
Roy Campbell - **Retired**	4	**3 of 4**	✓		✓	✓		
Nick Woodmass	4	**2 of 2**					✓	✓
Sam Beachell	5	**6 of 6**	✓	✓	✓	✓	✓	✓
Jeff Aiken	6	**6 of 6**	✓	✓	✓	✓	✓	✓
Steve Martin	7	**5 of 6**		✓	✓	✓	✓	✓
Peter Mitchell	8	**6 of 6**	✓	✓	✓	✓	✓	✓
Angus Howie	9	**3 of 6**	✓	✓				✓
Dafydd Jones	10	**5 of 6**		✓	✓	✓	✓	✓
Keith Thomas	11	**2 of 2**					✓	✓
Alastair Gault	12	**6 of 6**	✓	✓	✓	✓	✓	✓
Steve Smith - **Retired**	13	**4 of 4**	✓	✓	✓	✓		
James Draper	13	**2 of 2**					✓	✓

Minutes of the Texel Sheep Society Annual General Meeting
Woodland Grange, Royal Leamington Spa, CV32 6RN
Thursday 23rd November 2023, 15:30

In Attendance:
John Yates – Chief Executive
Jeff Aiken – Society Chair – Coniston, Procters & Tatham Hall
Peter Mitchell – Society Vice Chair – Avon Vale
Sam Beachell – Samsar
Dafydd Jones – Kitrob & Carlen
Roy Campbell – Cowal & Royel
Alastair Gault – Forkins
Nick Woodmass – Harene
Keith Thomas – Tywi
Graeme Knox – Haddo
David McKerrow – Uppermill & Tillycairn
James Draper – Claybury
Steve Martin - Broomhall
Neil Harvey – Blackadder
Ed Smith – Society Staff
Ailish Ross – Society Staff - Minute Taker

Meeting Opened at 15:34

1.	**To Receive apologies for absence** Robert Laird – *Cambwell* Angus Howie – *Millhouse* Steve Smith – *Penparc* Jenna Ballantyne – *Roadend* David Uffold – *Broncroft* Paul Phillips – *Kimbolton*
2.	**RESOLUTION: Approval of the minutes and Matters Arising of the AGM which took place on 12th November 2022 in the Argyle Suite, Drimsynie Estate Hotel, Lochgoilhead, Cairndow, PA24 8AD** Society Chair (JA) asked for a Proposer and Seconder of the minutes from the 2022 Annual General Meeting **Proposer:** Peter Mitchell **Seconder:** Roy Campbell
3.	**To receive the Chairman's report** Society Chair (JA) presented his chairman's report: It is a huge honour and privilege for me to deliver this report as chair of the Society's board. Little did I think when I first became involved with the breed all those years ago that I would be in this position, particularly when I look back at all the great people who have held this office before me. There can be no doubting that 2023 has once again been another exceptional year for the breed and in turn the Society. The quality of stock

	at all the major shows was tremendous and a true testament to the effort and hard work of breeders the length and breadth of the UK. Our breed is in the enviable position of being the most popular sire breed in the country and that is thanks to the hard work and dedication of Society members. Continuing to produce the type of sheep demanded by the commercial sector continues to stand the breed in good stead and must remain the focus. On a lighter note, it was great to hear so many positive reports back from the YDP Five Nations Weekend in Northern Ireland. The enthusiasm of the next generation is great to see and must be fostered and encouraged to support the next generation. The success of this event and many others provided and supported by the Society throughout the year, continues to remind me that while the Society exists to maintain and promote the breed, it is the people we meet through the breed which make the Society what it is today. Sales season was another tremendous time for the breed, with, for the second year in a row, three rams trading at 100,000gns or more at Lanark and for the first time, two of these coming from the same flock. However, while the top priced animals will always generate the headlines what must also be noted and celebrated is the strong base in the trade at all four of the Society's national sales with nearly half of the rams at these sales selling at 1000gns or less. Both Regional Club and major commercial sales across the country also saw tremendous demand for Texels, with the breed dominating the trade at many sales, including both Kelso and the Main NSA Sale, Builth Wells. The clearance rates and averages being achieved at all these sales are exceptional, long may it continue to be so. Of course, none of this success would be possible were it not for the hard work and dedication of both the Society staff and the board of directors. I thank you all for your efforts and support over the last 12 months.

	The work put in by the Texel team to ensure the smooth running of the Society takes a huge weight off the board and allows us to concentrate our efforts where needed. And finally, may I take this opportunity to remind members that 2024 will be the 50th anniversary of the founding of the Society, a huge milestone in its history. There are a number of special events and activities planned for next year and I look forward to seeing many, many members joining in the celebrations.
4.	**To receive the Chief Executive's report** The Society Chief Executive (JY) presented the review of 2023/24 activity, explaining that the Trustees Report sets out the society strategies and operational performance. Core activities are to maintain and develop the registry services, support members in the breeds development, provide breed promotion, operate sales and shows and progress the Youth Development programme. All of which under pin the society charity purposes and objectives. He added that continued investment in digital technologies would continue, having been successful in recent years. Supporting service delivery, driving efficiencies, including development of genetic improvement tools, supporting breed competitiveness, when utilised by members in their flock breeding programme. Boosting members experience is essential, increasing society business resilience, ensuring the provision of affordable services by a small but expert team. Rationalising and reducing overheads would continue, where appropriate, alongside the increasing investment in breed promotion, utilising a variety of different media. In regard to the 5 decades of successful service delivery, he explained that this is an outstanding achievement for any organisation, and one to be proud of when considering the current profile and influence of the British Texel in the UK sheep industry. The Society provides the largest registry of Texel sheep globally, with over 2M pedigree in the flock book. Nearly 10,000 flock memberships had been issued between 1974 and 2023 and current annual membership remains above 2000. 50,000 birth

notifications are received, and 18,000 full pedigree female registrations are issued annually,

The breed is the most popular sire breed in GB and NI, three times more popular than its nearest competitor and is the second most popular maternal breed, second only to the variety of Mule types. Texel sired females make up more than 17% of the GB national flock.

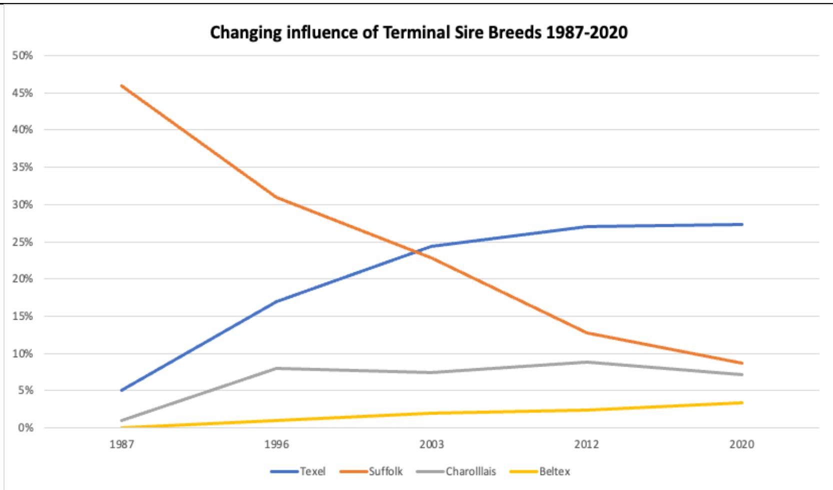
The Society Chief Executive (JY) explained the Board Structure, of thirteen directors, split into three committees: Breed Development, Shows & Sales and the Finance and General. He explained that the society committees are there to support the functioning of the Board, they have specific terms of reference, focused on their subject matter, and provide recommendations for the board's consideration for the effective operation of the Society.

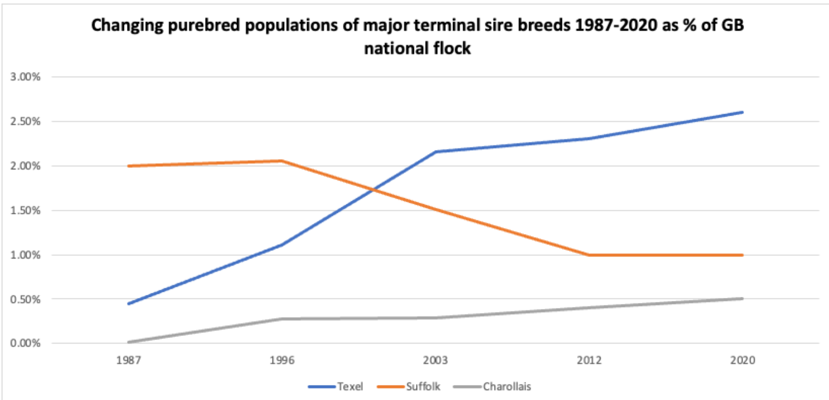
He explained that the finance committee meets quarterly to review performance against budget and monitor investment portfolios alongside the Society Independent Financial Advisors.

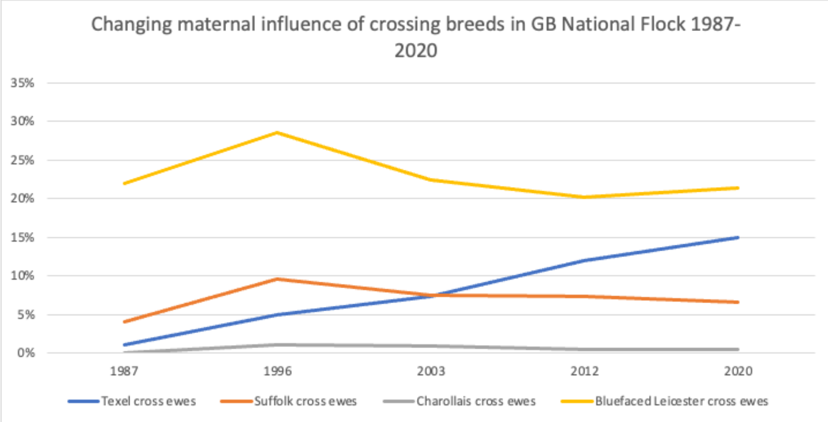
The Society has employed a digital first approach over recent years, which has helped improve efficiency in the running of the society, reduce overheads and benefit member experience through the use of web-based databases.

The increase in Gift Aid contribution was due to the digital system now in place that links to iTexel and Xero, the accounting software, along with a targeted approach by staff to get members to sign up to Gift Aid if they are eligible.

He provided a variety of graphs, detailing registry and breed performance.


Changing influence of Terminal Sire Breeds 1987-2020
50%
45%
40%
35%
30%
25%
20%
15%
10%
5%
0%
1987
1996
2003
2012
2020
Texel
Suffolk
Charolllais
Beltex


Changing purebred populations of major terminal sire breeds 1987-2020 as % of GB national flock
3.00%
2.50%
2.00%
1.50%
1.00%
0.50%
0.00%
1987
1996
2003
2012
2020
Texel
Suffolk
Charollais



He reminded all members that the Society and the breeders of Texel sheep, must remain aware to the challenges ahead in the livestock industry.

Ever shifting agri-political landscape, which the Society had countered with a project "Texel breeding objective", introducing a first for UK sheep breeds, providing a review and creation of economic indexes for Terminal and Replacements, under-pinned by commercial data, coupled with developments for ease of access to data, information and knowledge on the Texel breed accesed through the Society iTexel database.

The Society has also compeleted an economic and environmneteal impact study, to identify the breed's current position. Genetic improvement was calculated over the next 20 years to be worth >£334M for the UK industry, £23.5M per yea. The new breeding indexes, offers Texel breeders the opportunity to increase benefits by £16.9M over the next 20 years.

He added that whilst climate change impacts on us all, there is a need to ensure that the society provides suitable tools for Texel breeders, along with information to help support the breeding of efficient Texel sheep, that will offer a solution to meeting the Government's 2050 NetZero target.

The Society and the breed are well positioned in delivering this aim, however breeders will need to make better use of the information provided by the Society, and the tools on offer, to ensure the breed remains effective.

5.	**RESOLUTION: To receive, consider and adopt the income and expenditure account for the year ended 31st March 2023 and the balance sheet as at that date and; to receive, consider and adopt the reports of the Board of Directors and the Auditors for the year ended 31st March 2023.**
	The Society Chief Executive (JY) presented the financial statements.
	
	He stated that the Society had a healthy outlook, with financial performance improving, and membership numbers remining stable up to and including the year under review. He added that there are clear strategies and procedures in place to support core services in support of the membership and the Board remains committed to seeking opportunities to maintain the society p and breed performance and expand where it is able to.
	
	To achieves this aim he explained that the society is
	• Collaborating where it can
	• Leading where we must
	• Investing ahead of time
	• Controlling overheads sensitively
	
	He explained that the objectives and activities of the society are detailed on page 23 (page 2 of the statements). achievements and performance, forming the Trustees report are detailed on page 24-26 (page 3,4,5 of the statements) and structure, governance, management and communications is stated page 27-28 (pages 6-7 of the statements)
	
	Value for money measures and performance assessments are monitored and reported on a regular basis to enable the board to oversee the operations, objectives of the organisation and ensure core services are maintained and developed.
	
	Income:
	▪ Decreased by £21,601 (2.7%) from £798,266 to **£776,665**
	    ▪ Reductions in research income
	    ▪ texelplus income declining as fees reduced to members
	▪ Subscriptions (including joining fees) provided £120,224 an increase of £1,609 (1.35%)
	▪ Gift Aid provided £12,000, an increase of £1,000 (9.09%)
	▪ Registration's income provided £438,926 a fall of £3,383 (0.76%)
	▪ Sales Auctions provided £126,917, remaining stable

- Investments performance declined £10,651 (2022 gain £13,305)

Charitable activities Note 3, 5
Investments income note 4, 8

Expenditure:

- Increased by £62,823 (8.38%) from **£748,806 to £811,629**
    - Influenced by:
        - Increase in direct costs associated with events, promotions activity, with inflationary pressures evident from suppliers
        - Breed Development support provided £51,253 of costs in the year for the Abacus genetics consultancy “Texel breeding Objective initiative
        - Phase 4.0 of iTexel database incurred £78,757, with £49,710 capitalised in the year
    - Staffing restructure and severance costs increased salary overhead by 11.2% £27,831. Long term impact of restructure is positive with salary costs reducing by an estimated 23.41% (£72,902 per annum) between 2019-2024
- Operating performance provided a net deficit of **£45,615** (2022 net contribution of £62,765)
    - The Board considers these results to be moving to a normal operating performance, highlighting impact of:
        - Abacus breed development consultancy and completion of R&D grant awarded projects during 2022-23
        - Continued investment in iTexel database
        - Overhaul of the society administration and registry services, with focus on:
            - Improvements to society IT resources
            - Upskilling staff/team.
        - Volatility of investment markets impacting on society share portfolio in short term.

Total funds carried forward **£1,141,332** (2022 £1,186,947)

Summary:

- Financial & operational performance achieved what the Board considers to be a move to a normal operating performance.
- Operational activity continues to include large database, breed development and restructure costs,

<table>
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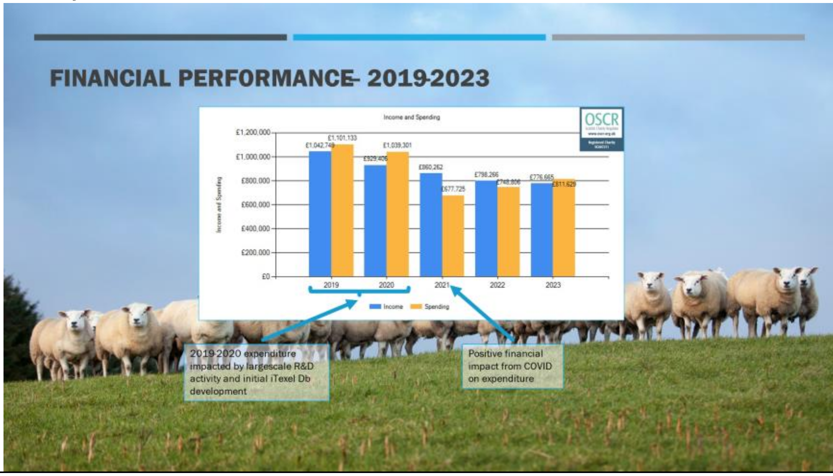
Planned activity and investment to support a data rich registry and genomic service, as part of a modernising of registry services 2020-2024
Remain focused to implement current strategies across:

communications
events to support sales, shows and youth programme
breed development

He provided a table from the Scottish Charity regulator website and indicated major influences in the society financial performance over the last 5 years:


</td></tr>
<tr><td>6</td><td>RESOLUTION: To confirm the appointment of Dafferns LLP as the Auditors for the Society and to
authorise the Board of Directors to fix their remuneration.
Society Chair (JA) asked for a proposer and seconder for the appointment of Dafferns LLP as the Auditors for the Society and to authorise the Board of Directors to fix their remuneration
Proposer: Roy Campbell
Seconder: Sam Beachell</td></tr>
<tr><td>7.</td><td>SPECIAL RESOLUTION: To receive, and if thought fit, pass the following
A. That paragraph (a) of article 38 of Part 2 of the articles be deleted and replaced by the following in substitution therefore:-
For the purposes of election of area members the Board of Directors shall divide the United Kingdom and overseas into areas, the boundaries of which shall be decided by the Board of Directors and which may be varied from time to time as the Board of Directors may</td></tr>
</table>

	so decide. Save in relation to overseas countries each area so specified shall be entitled to elect one member to the Board of Directors, but such a member shall reside in the area for which he or she seeks election. Such a member elected shall be known as an area member. The election of area members shall be by ballot of the members of the Society resident within the area for which the member is seeking election and shall further be subject to the provisions of Article 39. Such ballot shall take place by such means as the Board of Directors in its sole discretion deems appropriate including but not by way of limitation by post or in electronic form. The area member of the Board of Directors allocated to the overseas members shall be the Chairman from time to time. **B. That the definition of the Bye-laws in article 1 of Part 2 of the articles be amended to refer to regulation 42(a) and not regulation 45(a).** Society Chief Executive (JY) explained that amendments are required to the articles as currently the overseas members do not have a Region. Articles must be amended within an Annual General Meeting they cannot be updated by the Board. A vote was conducted and counted. 18 votes **in favour** 0 votes **against**
8.	**Announcement of Board of Directors election results** Society Chair (JA) presented Society clocks to out-going Directors Graeme Knox and Roy Campbell. Whilst presenting the gifts, JA noted the Graeme Knox has been on the Board of Directors for 12 years, during this period he has taken on the role of Society Treasurer, along with Sales and Shows Committee Chair. GK has been a fantastic member of the board and always completed his tasks in a professional manner. He then noted that Roy Campbell, has been a fantastic asset to the board of the previous 10 years. Taking the helm as Chairman during the Covid-19 pandemic and continued the support required to progress the iTexel database. His guidance and invaluable knowledge of wider business has been a complement to the Board and a benefit to the Society. he then presented the incoming Board of Directors with their official Ties and added that he looks forward to working with all new directors

	Area 1 North of Scotland, David McKerrow, Uppermill/Tillycairn - unopposed Area 3 South East of Scotland, Neil Harvey, Blackadder - unopposed Area 4 South West of Scotland & Cumbria, Nick Woodmass, Harene – unopposed Area 11 South Wales & Borders, Keith Thomas, Tywi – unopposed Area 13 Mid Wales & Borders, James Draper, Claybury – unopposed **Announcement of Youth Development Programme election results** Society Chief Executive (JY) then announced the results of the Youth Development Programme election results for Area A, Scotland and Area D, Wales following the notice for nominations and subsequent election within Area A, Scotland – Amy Laird, Cambwell flock Area D, Wales – Gerallt Rowlands, Traws flock
9.	**Any other business that has been approved by the Chairman for discussion.** **Summer Competition** Society Chief Executive (JY) explained that the Annual Summer Competition had been running online and through the NSA Events for the previous year. This year the competition has been kindly sponsored again by Roxan, who are providing an EID Reader. The draw has taken place, and has been won by Richard Howe from Longtown, Cumbria. Congratulations Richard.
	Society Chair (JA) thanked all for attending the meeting and declared the meeting closed at 16:15

Matters Arising from the AGM held on Thursday 23rd November 2023 at 15.30 at Woodland Grange Conference Centre, Old Milverton Lane, Leamington Spa, CV32 6RN			
Item	**Description**	**Lead**	**Status**
5.	Adopt the income and expenditure account for the year ended 31 March 2023 and the balance sheet as at that date and adopt the reports of the board of Directors and the Auditors for the year ended 31 March 2023	**CEO**	**COMPLETE**
6.	Confirm the appointment of Daffern's LLP as the auditors for the Society and authorise the Board of Directors to fix the remuneration of the Auditors.	**CEO**	**COMPLETE**
7.	Amend the Articles of Association in support of the special resolution passed at the AGM A. That paragraph (a) of article 38 of Part 2 of the articles be deleted and replaced by the following in substitution therefor:- For the purposes of election of area members the Board of Directors shall divide the United Kingdom and overseas into areas, the boundaries of which shall be decided by the Board of Directors and which may be varied from time to time as the Board of Directors may so decide. Save in relation to overseas countries each area so specified shall be entitled to elect one member to the Board of Directors, but such a member shall reside in the area for which he or she seeks election. Such a member elected shall be known as an area member. The election of area members shall be by ballot of the members of the Society resident within the area for which the member is seeking election and shall further be subject to the provisions of Article 39. Such ballot shall take place by such means as the Board of Directors in its sole discretion deems appropriate including but not by way of limitation by post or in electronic form. The area member of the Board of Directors allocated to the overseas members shall be the Chairman from time to time. B. That the definition of the Bye-laws in article 1 of Part 2 of the articles be amended to refer to regulation 42(a) and not regulation 45(a).	**CEO**	**COMPLETE**

Chairman's report

It is a huge honour and privilege for me to deliver this report as chair of the Society's board. Particularly so in this the Society's 50th Anniversary Year, a milestone year which has been made all the more enjoyable thanks to the many members I have met at Society events across the UK.

The success of the breed in 2024 owes everything to the leadership by the Society and dedication and vision of breeders, over the last 50 years, no matter the length of their involvement with the breed or the size of their flock.

This year has been another great year for the breed and in turn the Society. The quality of stock at all the major shows was tremendous and a true testament to the effort and hard work of breeders the length and breadth of the UK.

The usual summer shows were, this year, complemented by the Society's 50th celebrations that included the second Textravaganza National Show, with this event preceded by the Club Champions event which drew members together in an afternoon of fun and celebration.

Overseas visitors from Europe and South America were also in the UK for the Society's International Visitors Workshop and it was great to welcome and support them here and showcase the Texels and the sheep breeding technologies and research initiatives the society is engaged in and the UK has to offer.

Sales season was another tremendous time for the breed, with good demand at the Society's National sales, Regional Club sales and continued growth at major commercial sales. Texel continues to be the commercial sheep farmer's breed of choice, both as a terminal sire and also as a maternal breed.

The performance of the breed at both Kelso and the Main NSA Sale is second to none, with Texels accounting for more than a third of the rams sold at both events.

Of course, none of this success would be possible were it not for the hard work and dedication of the Society staff and the board of directors. I thank you all for your efforts and support over the last 12 months.

I have greatly enjoyed my two years as chairman and wish the board all the very best for the future.

Here's to the next 50 years.

Jeff Aiken

Chairman of the board

November 2024

Chief Executive's report

I am proud of the dedication shown by our staff, directors, and volunteers in supporting our members.

Whilst the 2023/24 financial year has been challenging due to the ongoing cost of living and energy crises. Economic instability, tough farming conditions, and rising costs have deeply affected our members own business. While our society faces similar pressures, we have maintained stability by executing well-planned strategies that ensure our services, the breeds promotion and provision of genetic improvement tools for members' flocks remain unaffected.

Our success stems from investing in skilled staff, refining administrative procedures, and integrating digital technologies. This has resulted in a resilient operational structure, enhanced by interconnected databases that improve member services, genetic tools, and financial processes. These efforts have increased business efficiency and boosted confidence among all stakeholders.

Promotion of the breed is supported by a combination of events, including sales, shows, and trade events, direct mailing of publications, and the use of web and social media communications. These remain effective and constantly reviewed, with the chosen marketing strategy including production of, and distribution of 45,000 Texel Primestock magazines through national media and digital platforms to support society sales and breed promotion, benefiting the publicity of members stock.

The society has also spearheaded several large-scale research projects in recent years, focusing on meat quality, and disease resilience. Current activity includes the Texel breed with research of environmental traits and sustainability, with the outputs influencing global sheep research, particularly in support of methane measuring. Our activity will positively contribute to working towards government targets for net-zero emissions by 2050. Our results are shared through our platforms—iTexel.uk and texel.uk—and by collaborating with the scientific community, strengthening our leadership in the field.

One of our proudest achievements this year started with the launch of genomic evaluations in March 2024, a first in the sheep industry. This will improve Texel pedigree authenticity, bolstering the flock registry, offer access to major gene information, and with its adoption in members flocks, will drive genetic progress in commercially valuable traits.

The delivery of successful events, in particular the extra activities in support of our society's 50th anniversary has been a poignant moment. As we reflect on this summer's activity and the Society's performance, I'm particularly proud to have had led the society in its important year, and in doing so, this could not have been achieved without such a fabulous team around me.

Navigating changes in agriculture, from recessions to pandemics, the society remains committed to supporting its members. As climate change and net-zero targets shape the future, we encourage members to utilise the tools we provide for breed adaptation, and to maintain and increase their focus on the breeds commercial profit traits much needed by those that use the Texel in commercial production.

The full financial performance for the year ending March 31, 2024, can be found in the Trustees and Financial Statements.

John Yates

Chief Executive, November 2024

REGISTERED COMPANY NUMBER: SC055423 (Scotland)

REGISTERED CHARITY NUMBER: SC007271

REPORT OF THE TRUSTEES AND
FINANCIAL STATEMENTS
for the year ended 31 March 2024
FOR
THE BRITISH TEXEL SHEEP SOCIETY LIMITED
(A COMPANY LIMITED BY GUARANTEE
AND NOT HAVING A SHARE CAPITAL)

THE BRITISH TEXEL SHEEP SOCIETY LIMITED

CONTENTS OF THE FINANCIAL STATEMENTS
for the year ended 31 March 2024

THE BRITISH TEXEL SHEEP SOCIETY LIMITED

REPORT OF THE DIRECTORS AND TRUSTEES
for the year ended 31 March 2024

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 31 March 2024. The trustees have adopted the provisions of Accounting and Reporting by Charities: Statement of Recommended Practice (SORP) 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).

REFERENCE AND ADMINISTRATIVE DETAILS

Charity name:	The British Texel Sheep Society
Charity known as:	Texel Sheep Society
Charity registration number:	SC007271
Company registration number:	SC055423 (Scotland)
Registered office:	The Mechanics Workshop New Lanark Lanark South Lanarkshire ML11 9DB
Operational address:	Unit 74 4th Street Stoneleigh Park Kenilworth Warwickshire CV8 2LG

Directors / Trustees

J Aiken – President and Chair	
P J Mitchell – Vice Chair	
S Beachell	
R Campbell	Resigned 23 November 2023
J R Draper	Appointed 23 November 2023
J Elliot	Resigned 17 May 2023
A R Gault	
N M Harvey	Appointed 23 November 2023
A M Howie	
D R Jones	
G J Knox	Resigned 23 November 2023
R Laird	
S Martin	
D McKerrow	Appointed 23 November 2023
S J Smith	Resigned 23 November 2023
D K Thomas	Appointed 23 November 2023
N R Woodmass	Appointed 23 November 2023

Company Secretary and Chief Executive Officer

J A Yates

Our advisers

Auditors	Dafferns LLP	One Eastwood, Binley Business Park, Coventry, CV3 2UB
Bankers	The Royal Bank of Scotland	Wavertree Technology Park, Liverpool, L13 1HE
Solicitors	Lodders Solicitors LLP	10 Elm Court, Arden Street, Stratford upon Avon, CV37 6PA
Investment advisers	Sterling Financial Advisers Ltd	James House, Newport Road, Albrighton, Wolverhampton, WV7 3FA

THE BRITISH TEXEL SHEEP SOCIETY LIMITED

REPORT OF THE DIRECTORS AND TRUSTEES
for the year ended 31 March 2024

OBJECTIVES AND ACTIVITIES

The principal activity of the Society in the year under review was that of encouraging, promoting and improving the breeding of Texel sheep. The Society assists its members in the maintenance, development and promotion of the breed and its influence for the advancement of the arts, heritage, culture and science. The Society consistently and regularly reviews and improves where appropriate the availability and quality of services offered to its members.

ACHIEVEMENTS AND PERFORMANCE

As a membership organisation with charitable status, limited by guarantee the society aims to act in the long-term interests of the Texel breed and its membership.

During another year of economic instability, tough farming conditions, impacted increasingly by the climate, our members continued to feel the effects, along with inflation and rising costs in all aspects of life. Whilst the society is not immune to the same effects, it has continued its long-term approach, supported by clearly thought-out strategies to ensure stability and strength in depth in core areas to ensure the society purposes are achieved, and to support members in the promotion and genetic improvement of their flocks.

What we are most proud of in our 2023 performance is the focus on our staff and their enthusiasm for serving the needs of the business and the members during what was for all of us an extremely difficult year.

The foundation for delivering effective society services has been the recruitment, retention, and investment in skilled staff, alongside the planned and careful adjustment of administrative procedures and integration of digital technologies where appropriate. This approach has created a flexible and resilient operational structure. Complemented by a vision for the adoption of various interconnected databases, which support registry, genetic improvement tools, and financial procedures, it has significantly improved member experience and increased business efficiency, resilience and confidence in the society across all stakeholders.

Analysis of expenditure:

Total staff costs decreased by 13.42% (£37,017), from £275,792 in 2023 to £238,775, as the administration restructure completes. The overall impact of the administrative restructure, combined with the adoption of modern databases, has reduced the full-time equivalent (FTE) staff from 6 to 4 since 2019, with no increase in subcontracted support. This reduction lowered overhead costs from £311,372 to £238,775, providing a cost savings of 23.32% (£72,597) when comparing 2019 and 2024 performance, 2019 being the start of administrative restructure and development of iTexel database. These reduced overheads support investments in digital administration as part of the modernisation of society operations.

Promotion of the breed is supported by a combination of events, including sales, shows, and trade events, direct mailing of publications, and the use of web and social media communications. Total expenditure on sales, shows, and publications was £247,005, a decrease of 3.13% (£7,985) compared to the previous year. The chosen marketing strategy includes production of and distribution of 45,000 Texel Primestock magazines through national media and digital platforms to support society sales and breed promotion.

Core services provided by flock book registrations provided £299,245 expenditure, a decrease of 7.55% (£24,432).

In recent years, the society has successfully applied for, lead and completed several large-scale collaborative research projects focused on traits and processes influencing meat and carcass quality, health and disease resilience, and the environment. These efforts support improved productivity, government initiatives and their targets for achieving net-zero emissions by 2050. The society continues to provide industry leadership in this area, collaborating with various research teams worldwide. Where possible, the results of these projects are integrated into genetic improvement

THE BRITISH TEXEL SHEEP SOCIETY LIMITED

REPORT OF THE DIRECTORS AND TRUSTEES
for the year ended 31 March 2024

ACHIEVEMENTS AND PERFORMANCE (cont'd)

tools provided by texelplus and communicated to the breed's stakeholders through the society's iTexel.uk and texel.uk digital platforms. Additionally, the scientific community benefits from these efforts, with numerous scientific papers accepted in journals and presentations at conferences globally.

Breed development expenditure of £156,162 showed a decrease of 24.69% (£51,186) due to a planned reduction in activities directly undertaken for research. Significant resources are allocated to support members through the genetic improvement service, texelplus. This service, funded by the Society, supports the aim of futureproofing of Society services and provides breeding tools for members, thereby supporting the breed's enviable position in the marketplace.

iTexel database development costs, excluding annual hosting and maintenance fees, provided £56,926 expenditure. £520,248 total expenditure on iTexel has been incurred since its inception, not including grant funding. These costs are depreciated at 10% straight line, with the charge for the year £47,268 providing a retained Net Book Value of £347,954 (£338,296 2023).

The Society remains committed to integrating genetic and genomic improvement tools and metrics within its pedigree service to support members' flocks and the breeds development, impacting the UK sheep industry positively. A major milestone for the sheep industry was the leadership provided by the Society in assessing and developing data pipelines, along with creating its genomic reference population to support the transition from routine genetic evaluation to genomic evaluations in March 2024. An industry first, the integration of genomics into Society services aims to provide increased business resilience, enhance the authenticity of Texel pedigrees, provide increased confidence for those that rely on the information, and drive genetic improvement in commercially valuable traits for the Texel breed.

The implementation of the new Texel breeding objective in 2022, combined with genomic evaluations, is expected to increase future benefits from the use of the Texel breed by £16.9 million over the next 20 years, or £1.2 million in annualised terms. Adding to the £23.5m/yr as a result of breed impact. This increase stems from a predicted rise in the rates of genetic improvement due to selection based on the economic index and the use of genomics to enhance accuracies for unproven animals.

The Society remains committed to leading the adoption of genomic improvement tools, increasing the information provided to members through iTexel.uk, and protecting and improving the pedigree service. These efforts support member flocks and breed development, positively impacting the Society and UK sheep industry.

Notes to the financial statements provide further detail and a breakdown and comparison of expenditure for information.

Total expenditure on charitable activities provided £702,412, a decrease of 13.26% (£107,381), see Note 5.

Expenditure of £704,212 in 2024 (down from £811,629 in 2023) showed a decrease of 13.23% (£107,417) despite increased pressure on operational support costs during the year. Although inflationary pressures from suppliers led to cost increases across many activities, cost controls were extremely well maintained during the period and provided a decrease in total expenditure.

Analysis of income:

Core operational income provided from member subscriptions was £122,048 (2023 £120,224) an increase of £1,824 (1.52%), remaining stable at 2,275 memberships. Registration's income provided £407,660 (2023 £438,926) a reduction of £31,266 (7.12%), due largely to a reduction in birth notification income, a result of economic instability, tough farming conditions, impacted increasingly by the climate, with our members continuing to feel the effects, along with inflation and rising costs in all aspects of life

THE BRITISH TEXEL SHEEP SOCIETY LIMITED

REPORT OF THE DIRECTORS AND TRUSTEES
for the year ended 31 March 2024

ACHIEVEMENTS AND PERFORMANCE (cont'd)
Sales auctions income of £117,358 (2023 £126,917) reduced by £9,559, 7.53%.

Members are encouraged to provide Gift Aid consents where eligible, which has contributed £14,000 in 2024 (up from £12,000 in 2023), reflecting a £2,000 increase in support from the HMRC initiative.

Income from charitable activities ended £691,755 (2023 £775,760) a reduction of 10.83% (£84,005).

Total income provided £696,689 (2023 £776,665).

Net gain on investments, see investment policy, and Note 13. provided £46,066 (2023 loss of (£10,651))

Overall operating performance for the period under review provided a net contribution of £38,543 (2023 net expenditure (£45,615)) which included an investment performance gain of £46,066 (2023 loss (£10,651)).

The Society's total funds carried forward total £1,179,875 (2023 £1,141,332).

An income of £696,689 was received in 2024, down from £776,665 in 2023, reflecting a reduction of £79,976 (10.3%). This decline was primarily due to a decrease in birth notification income, as members' spending behaviour was impacted by the economic crisis. In response, the Society adjusted its spending plans to help compensate for the reduction in income.

Financial Review
The net income for the year amounted to a surplus of £38,543. This amount has contributed to reserves brought forward leaving fund balances of £1,179,875 at the end of the year. The results achieved for the year under review are acceptable to the Board.

Reserves policy
It is the policy of the Society to maintain unrestricted funds excluding tangible fixed assets, that are not designated, which are free reserves of the Society of approximately eighteen months of unrestricted expenditure. This is intended to provide sufficient funds to cover management, administration, and promotional costs. Free unrestricted reserves at 31 March 2024 stood at £690,464 compared with unrestricted expenditure in the year of £704,212.

Investment policy
The Board of Trustees considered the most appropriate policy for investing funds during the period to be the use of managed Share Portfolio accounts for long term investment opportunity as well as short term cash held within the Direct Reserve & Liquidity Reserve Accounts held with RBS. The Boards Finance & General Committee routinely engage with the Society's Independent Financial Advisor.

Plans for future periods
The Society acknowledges that it operates within a dynamic and evolving landscape. Key influences include governmental agricultural policies and the ongoing cost-of-living crisis. These factors have both direct and indirect effects on the Society and its membership. As we look ahead, we are committed to addressing these challenges and supporting our members through strategic initiatives and responsive measures.

ACHIEVEMENTS AND PERFORMANCE (cont'd)
The government's new Agri policies, initiated in 2021 and set to be fully implemented over a 7-year transitional period, present a shifting framework for the agricultural sector. While these policies do not directly impact the Society, their effects on farming income and operational practices are significant.

The new policies are expected to disrupt traditional farming income streams, influencing farmers' financial stability and decision-making processes. Changes in government support and subsidies will require farmers to adapt to new economic realities, potentially leading to shifts in farming practices and business models.

Advocacy and Representation: The Society will actively engage with policymakers to represent the interests of its members, ensuring their needs and concerns are considered in policy development and implementation.

Information and Education: We will provide our members with up-to-date information on policy that directly impacts on use of sheep genetics and offer educational resources to help them adapt to new regulations and opportunities.

Support Programs: Development of support programs to assist farmers in navigating the transition, including provision of latest breed data, communications and access to expert advice.

Cost-Reduction Strategies: Develop and disseminate best practices and strategies for reducing operational costs using data driven processes without compromising productivity or quality.

Community Building Initiatives:

Networking Events: Organise regular events to facilitate networking, knowledge sharing, and collaboration among members.

Mental Health and Wellbeing Support: Expand programs aimed at supporting the mental health and wellbeing of members, recognising the significant stress and challenges faced by the farming community.

Enhanced Communication Channels: Improve communication channels to ensure members are well-informed and have easy access to support and resources.

The Society is committed to supporting its members through these challenging times by advocating for their interests, providing valuable resources and support, and fostering a resilient and connected community. Through proactive measures and strategic initiatives, we aim to help our members navigate the evolving agricultural landscape and secure a sustainable future for their flocks, businesses and families.

Future plans

To effectively support our members and ensure the continued development of their flocks, the Society recognises the necessity of improving data collection and storage as well as leveraging new breeding tools. Recent investments in technology to enhance Society administration and bolster business resilience have been timely and strategic. Our ongoing focus is to provide value-added services, ensuring our members remain competitive and can drive genetic improvements in profit traits at an industry level.

1. Enhancing Data Collection and Storage
Accurate and comprehensive data collection is foundational to the success of our members' breeding programs and overall flock management.

ACHIEVEMENTS AND PERFORMANCE (cont'd)
Key Initiatives:
Advanced Data Systems: Implement state-of-the-art data collection and storage systems to ensure accurate, real-time data management.
Member Training: Provide training and resources to help members effectively use these systems, ensuring they can collect, store, and analyse data efficiently.
Data Integration: Develop platforms that allow seamless integration of various data sources, facilitating better decision-making and strategic planning.

2. Leveraging Genomic Technologies
The availability of genomic technologies offers transformative opportunities for flock management and genetic improvement.

Key Initiatives:
Routine Genomic Testing: Promote and facilitate the routine use of genomic testing among members to support routine genomic evaluations to help identify and select for desirable traits.
Educational Programs: Conduct educational programs and workshops to help members understand and utilise genomic information for breeding decisions.
Genetic Databases: Maintain and expand genetic databases to support the identification of valuable traits and track genetic progress over time.
Phenotype flocks: Establish and fund innovation flocks or best practice flocks that focus on routine collection of phenotype and genotypes supporting the optimisation of the Texel reference population and support research & development.

3. Investing in Research and Development
Continued investment in R&D is critical to stay at the forefront of technological advancements and breeding innovations.

Key Initiatives:
Strategic Partnerships: Collaborate with national and international partners on R&D projects to leverage collective expertise and resources.
Grant Support: Actively seek grant opportunities to fund innovative research and development projects, reducing the financial burden on the Society.

4. Providing Value-Added Services
To ensure our members can remain competitive, the Society is committed to offering services that add significant value to their operations.

Key Initiatives:
Breeding Tools and Resources: Develop and provide access to advanced data driven tools and resources that enable members to enhance genetic improvement.
Consultation Services: Support members implement best practices in flock management and breeding.

5. Maintenance and Evolution of Key Activities
Sales, shows, youth programs, and events are vital to the Society's mission and require continuous evaluation and innovation.

Key Initiatives:
Sales and Promotions: Continuously improve the format and delivery of sales and promotions to ensure they are effective and fit for purpose in promoting the breed.
Shows and Events: Challenge traditional approaches to shows and events, ensuring they remain relevant, engaging, and effective in promoting the breed and fostering community.
Youth Programs: Maintain and expand youth programs to encourage the next generation of breeders, incorporating innovative approaches and modern technologies.

THE BRITISH TEXEL SHEEP SOCIETY LIMITED

REPORT OF THE DIRECTORS AND TRUSTEES
for the year ended 31 March 2024

ACHIEVEMENTS AND PERFORMANCE (cont'd)
Event Management: Enhance event management practices to improve efficiency, member engagement, and the overall experience of participants.

The Society is committed to supporting its members through strategic initiatives focused on data enhancement, genomic technologies, research and development, and value-added services. Additionally, maintaining and evolving our key activities sales, shows, youth programs, and events is crucial for promoting the breed and supporting our members. Through continuous evaluation, innovation, and collaboration, we aim to build a resilient and forward-looking community that thrives amidst changing landscapes and challenges.

STRUCTURE, GOVERNANCE AND MANAGEMENT
Governing document
The Society is a registered Charity No: SC007271. Annual Reports and accounts are submitted to the Office of the Scottish Charity Commissioners following formal approval by the membership at the Annual General Meeting. The Society is a Company limited by guarantee and not having a Share Capital, incorporated on the 10 April 1974. The Society is governed by its Articles of Association (Company No: SC055423), which includes wide investment powers. For the purposes of the Companies Act 2006 members of the Board are treated as directors for which services they receive no remuneration.

A full copy of the Society's Articles of Association is available to all members at www.texel.uk/our-society/society-rules/ and also from the Company Secretary at the Society's operational address.

Organisational structure
The Board of Trustees administers the Charity and meets regularly. Within the Board, trustees are nominated to represent specific areas, including Breed Development, Shows, Sales and Promotions, and Finance & Governance. A Chief Executive is appointed by the Board of Trustees to manage the day-to-day operations of the charity and provide vision. To facilitate effective operations and accountability, the Chief Executive has delegated authority, within terms of delegation approved by the trustees, for operational and strategic matters, including finance and employment.

Recruitment and appointment of new trustees
The Articles of Association allow for the appointment of up to twenty trustees (Directors). Directors are eligible to serve for a period of four years and, if successfully re-elected, since October 2011, for a maximum of twelve consecutive years before having to step down for a minimum of four years prior to further re-election. The Board resolved to reduce the number of trustees to thirteen, each elected by members on a regional basis. The Trustees also have the power to co-opt additional members to the Board to fill specialist roles, provided the total Board size does not exceed twenty members.

Members within the region of the retiring trustees receive invitations to nominate trustees, and if more than one is nominated an election takes place prior to the AGM. All new trustees must be members of the Society and familiar with its activities. They will have received annual copies of the Report & Accounts and other Society member publications. Upon becoming trustees, they are provided a conflict of interest policy & must satisfactorily complete a declaration of interests form. They attend the Society Office Bearers board meeting and receive documentation on their role and responsibility, the Articles of Association, the Charity Commission guide for trustees, and a copy of the previous year's board papers and minutes.

Employee involvement
The strength of the Society lies in the quality and commitment of its employees. In particular their ability to meet objectives, and support members and stakeholders effectively. Regular staff meetings are held and further involvement of staff in committee meetings and events is encouraged. The Society is committed to equal opportunities for all its employees.

Pay policy for key management personnel
The pay policy for key staff is reviewed annually by the Board of Directors and normally increased in accordance with average earnings. The Chief Executive has delegated responsibility for personnel management and their remuneration.

Risk Management
The trustees continually examine the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that necessary recommendations can be made to lessen these risks. The trustees also consider non-financial risk arising from fire, and the health and safety aspects of the employment of its staff. The Society Chief Executive meets regularly with NFU Insurance broker to discuss areas of risk and to ensure satisfactory insurance cover is provided for the Society. A key element in the management of financial risk is the setting of a reserves policy.

Strategic Planning and Communications
A robust framework designed to ensure effective governance, cost management, and performance improvement is followed.

Strategic Framework and Governance
1. Performance Improvement
- A strong track record of reducing costs and enhancing performance.
- Savings generated are reinvested into core resources, such as registry services, promotional activities, and breed development.

2. Value for Money and Performance Monitoring
- Regular monitoring and reporting of value for money measures and performance assessments.
- Performance reports enable the Board to oversee the societies delivery of objectives and ensure services are maintained and developed efficiently in line with the financial and breed development strategy.

Committee and Board Structure
1. Committee Meetings
- Committees convene at least twice a year.
- They provide recommendations to the Board and support staff in operational duties.

2. Finance & General Committee
- Meets quarterly to receive performance reports and monitor the quarterly budget.
- Ensures financial oversight and alignment with organisational goals.

3. Board Meetings
- The Board meets three times a year.
- Reviews recommendations from committees and the Chief Executive.
- Assesses organisational performance against the budget (Key Performance Indicators).
- Considers strategic planning to guide the organisation's future direction.

Regional Engagement and Communication
1. Regional Directors' Role
- Thirteen Regional Directors engage with regional members to provide a scrutinising framework.
- Encouraged to meet with regional clubs to maintain a close connection with the membership base.

2. Communication Channels
- The Society supports Directors with member publications, ensuring effective communication.
- Members' bulletins are produced in hard copy and mailed twice annually.
- Digital media (social media, webmail, and website) is utilised for daily/weekly updates, providing cost-effective communication.

This strategic planning and communications framework demonstrates a comprehensive approach to governance, financial oversight, and member engagement. Key aspects include:

Effective cost management and performance improvement, with reinvestment into core resources.
Regular and structured committee and Board meetings for thorough oversight and strategic planning.
Active engagement of Regional Directors with members, supported by robust communication strategies utilising both print and digital media.

By adhering to these practices, the society ensures value for money, enhances service delivery, and maintains strong connections with its members. This approach not only supports operational efficiency but also fosters a collaborative and transparent environment.

STATEMENT OF TRUSTEES RESPONSIBILITIES

The trustees (who are also the directors of The British Texel Sheep Society Limited 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 which give a true and fair view of the state of affairs of the charitable company and the group, and of the incoming resources and application of resources, including the income and expenditure, of the charitable group 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 principals in the Charity SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in business.

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, the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended). They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

We, the directors of the company who held office at the date of approval of these Financial Statements as set out above each confirm, so far as we are aware, that:

- there is no relevant audit information of which the charitable company's auditors are unaware; and

- we have taken all the steps that we ought to have taken as directors in order to make ourselves aware of any relevant audit information and to establish that the auditors are aware of that information.

AUDITORS

The auditors, Dafferns LLP, will be proposed for re-appointment at the forthcoming annual general meeting.

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

ON BEHALF OF THE BOARD:

J Aiken - Chairman - Trustee

Date: 31 July 2024

Jeff Aiken

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE BRITISH TEXEL SHEEP SOCIETY LIMITED

Opinion

We have audited the financial statements of The British Texel Sheep Society Limited (the "charitable company") for the year ended 31 March 2024 which comprise a statement of financial activities, a balance sheet, statement of cash flows 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 charitable company's affairs as at 31 March 2024, 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 Auditor's 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 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 other information comprises the information included in the trustees annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE BRITISH TEXEL SHEEP SOCIETY LIMITED

Other information (cont'd)

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 course of 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 trustees' report (incorporating the directors' report) for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 require 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 directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.; or

- the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies' exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, set out on page 9, the trustees (who are also the directors of the charitable company for the purposes of company law) 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.

INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES AND MEMBERS OF THE BRITISH TEXEL SHEEP SOCIETY LIMITED

Auditor's responsibilities for the audit of the financial statements
We have been appointed as auditor under section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and under the Companies Act 2006 and report in accordance with regulations made under those Acts.

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

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

- Enquiry of management, those charged with governance around actual and potential litigation and claims;
- Enquiry of entity staff in compliance functions to identify any instances of non-compliance with laws and regulations;
- Reviewing minutes of meetings of those charged with governance;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Performing audit work over the risk of management override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for bias.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx. This description forms part of our auditor's report.

Use of our report
This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, 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 trustees 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 charitable company, the charitable company's members as a body and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

G Cox

Geoffrey Cox BA FCA (Senior Statutory Auditor)
For and on behalf of Dafferns LLP
Chartered Accountants, Statutory Auditor
Dafferns LLP is eligible to act as an auditor in terms of Section 1212 of the Companies Act 2006
One Eastwood, Harry Weston Road, Binley Business Park, Coventry, CV3 2UB

Date: 31 July 2024

THE BRITISH TEXEL SHEEP SOCIETY LIMITED

STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
for the year ended 31 March 2024

	Note	Unrestricted funds £	Restricted Funds £	2024 Total funds £	2023 Total funds £
INCOME FROM:					
Charitable activities	3	691,755	-	691,755	775,760
Investment income	4	4,934	-	4,934	905
Total income		696,689	-	696,689	776,665
EXPENDITURE ON:					
Investment broker's fees		1,800	-	1,800	1,836
Charitable activities	5	702,412	-	702,412	809,793
Total expenditure		704,212	-	704,212	811,629
		(7,523)	-	(7,523)	(34,964)
Net gains/(losses) on investments		46,066	-	46,066	(10,651)
Net income / (expenditure) for the year	8	38,543	-	38,543	(45,615)
Transfer between funds		-	-	-	-
Net movement in funds		38,543	-	38,543	(45,615)
Total funds brought forward		1,114,715	26,617	1,141,332	1,186,947
TOTAL FUNDS CARRIED FORWARD		1,153,258	26,617	1,179,875	1,141,332

The notes on pages 16 to 23 form an integral part of these financial statements

THE BRITISH TEXEL SHEEP SOCIETY LIMITED
(REGISTERED NUMBER: SC055423 - SCOTLAND)

BALANCE SHEET
At 31 March 2024

	Note	Unrestricted Funds £	Restricted funds £	2024 Total Funds £	2023 Total funds £
FIXED ASSETS					
Tangible assets	12	362,794	-	362,794	356,373
Investments	13	557,716	-	557,716	662,743
		920,510	-	920,510	1,019,116
CURRENT ASSETS					
Stocks		18,052	-	18,052	9,473
Debtors	14	129,512	9,545	139,057	89,555
Cash at bank and in hand		262,150	17,072	279,222	119,305
		409,714	26,617	436,331	218,333
CREDITORS					
Amounts falling due within one year	15	(176,966)	-	(176,966)	(96,117)
NET CURRENT ASSETS		232,748	26,617	259,365	122,216
NET ASSETS		1,153,258	26,617	1,179,875	1,141,332
FUNDS	18				
Unrestricted funds				1,153,258	1,114,715
Restricted funds				26,617	26,617
TOTAL FUNDS				1,179,875	1,141,332

These financial statements have been prepared in accordance with the provisions applicable to small companies' subject to the small companies' regime and in accordance with FRS 102 SORP.

The financial statements were approved by the Board of Trustees on 31 July 2024 and were signed on its behalf by

Jeff Aiken

J Aiken - Chairman - Trustee

The notes on pages 16 to 23 form an integral part of these financial statements.

THE BRITISH TEXEL SHEEP SOCIETY LIMITED

STATEMENT OF CASH FLOWS
For the year ended 31 March 2024

	2024 £	2023 £
Cash flows from operating activities:		
Net income / (expenditure) for the year	38,543	(45,615)
Adjustments for:		
Depreciation charge	54,000	50,125
(Gains)/ losses on investments	(46,066)	10,651
Investment income	(4,934)	(905)
Decrease / (Increase) in stocks	(8,579)	2,875
Decrease / (increase) in debtors	(49,502)	32,212
Increase / (decrease) in creditors	80,849	(49,375)
Net cash provided by (used in) operating activities	64,311	(32)
Cash flows from investing activities:		
Investment income	4,934	905
Proceeds from sale of investments	149,293	-
Proceeds from sale of investments - management fee	1,800	1,837
Purchase of fixed assets	(60,421)	(52,135)
Disposal of fixed assets	-	1,508
Net cash (used in) investing activities	95,606	(47,885)
Change in cash and cash equivalents during year	159,917	(47,917)
Cash and cash equivalents at beginning of year	119,305	167,222
Cash and cash equivalents at end of year	279,222	119,305

THE BRITISH TEXEL SHEEP SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
For the year ended 31 March 2024

1. General information and basis of preparation

The British Texel Sheep Society is a private company, limited by guarantee, registered in Scotland. The address of the registered office is given in the charity information on page 1 of these financial statements. The nature of the charity's operations and principal activities was that of encouraging, promoting and improving the breeding of Texel sheep in the United Kingdom of Great Britain and Northern Ireland. The Society assists its members in the maintenance and promotion of the breed and its influence for the advancement of the arts, heritage, culture and science. The Society consistently and regularly reviews and improves where appropriate the level of services offered to its members.

The charity constitutes a public benefit entity as defined by FRS 102. The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), the Charities Act 2011 and the Companies Act 2006.

The financial statements are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The financial statements are presented in sterling (£) which is the functional currency of the charity and rounded to the nearest pound.

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. Accounting policies

Fund accounting

Unrestricted funds are those available at the discretion of the Trustees in furtherance of the charitable aims of the Charity.

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

Restricted funds are those available solely for the specific purposes of the donors.

Income recognition

All incoming resources are included in the SoFA when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

For donations to be recognised the charity will have been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.

THE BRITISH TEXEL SHEEP SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
For the year ended 31 March 2024

2. Accounting policies (continued)

Income recognition (continued)

For legacies, entitlement is the earlier of the charity being notified of an impending distribution or the legacy being received. At this point income is recognised. On occasion legacies will be notified to the charity however it is not possible to measure the amount expected to be distributed. On these occasions, the legacy is treated as a contingent asset and disclosed.

Income from trading activities includes income earned from fundraising events and trading activities to raise funds for the charity. Income is received in exchange for supplying goods and services in order to raise funds and is recognised when entitlement has occurred.

The charity receives government grants in respect of specific projects. Income from government and other grants are recognised at fair value when the charity has entitlement after any performance conditions have been met, it is probable that the income will be received and the amount can be measured reliably. If entitlement is not met then these amounts are deferred.

Investment income is earned through holding assets for investment purposes such as shares. It includes dividends and interest. It is included when the amount can be measured reliably. Interest income is recognised using the effective interest method and dividend and rent income is recognised as the charity's right to receive payment is established.

The subscription year runs to 30 September. Subscription income is accounted for on an accruals basis, with six months' income deferred at the accounting year end.

Expenditure recognition

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Support costs allocation

Support costs are those that assist the work of the charity but do not directly represent charitable activities and include office costs, governance costs, and administrative payroll costs. They are incurred directly in support of expenditure on the objects of the charity and include project management carried out at Headquarters. Where support costs cannot be directly attributed to particular headings they have been allocated to cost of raising funds and expenditure on charitable activities on a basis consistent with use of the resources. Support costs have been allocated based on a percentage of staff time spent on each activity.

Tangible fixed assets

Tangible fixed assets are stated at cost (or deemed cost) or valuation less accumulated depreciation and accumulated impairment losses. Cost includes costs directly attributable to making the asset capable of operating as intended.

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

Long leasehold	5% straight line
iTexel software	10% straight line
Show equipment	33% straight line
Office equipment	33% straight line

Stocks

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

THE BRITISH TEXEL SHEEP SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
For the year ended 31 March 2024

2. Accounting policies (continued)

Investments
Investments are recognised initially at fair value which is normally the transaction price excluding transaction costs. Subsequently, they are measured at fair value with changes recognised in 'net gains / (losses) on investments' in the SoFA if the shares are publicly traded or their fair value can otherwise be measured reliably. Other investments are measured at cost less impairment.

Debtors and creditors receivable / payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment.

Operating leases
Rentals payable and receivable under operating leases are charged to the SoFA on a straight line basis over the period of the lease.

Pension costs and other post-retirement benefits
The charitable company operates defined contribution pension scheme. Contributions payable to the charitable company's pension scheme are charged to the SoFA in the period to which they relate.

3. Income from charitable activities

	2024 £	2023 £
Subscriptions	122,048	120,224
Gift aid	14,000	12,000
Registrations	407,660	438,926
Performance recorded Texel's	7,223	7,602
Publications	6,185	6,544
Auctions	117,358	126,917
Breed development	7,871	5,768
Project income	-	22,230
Insurance claims	-	11,762
Sundry income	9,410	23,787
	691,755	775,760

Income from charitable activities was £691,775 (2023: £775,760) of which £nil (2023: £22,230) was attributable to restricted funds and £691,775 (2023: £753,530) was attributable to unrestricted funds.

4. Income from investments

	2024 £	2023 £
Dividends	30	30
Interest	4,904	875
	4,934	905

Income from investments was all attributable to unrestricted funds.

THE BRITISH TEXEL SHEEP SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
For the year ended 31 March 2024

5. Analysis of expenditure on charitable activities

	Activities undertaken directly £	Support costs £	Total £
Sales, shows and publications	186,299	60,706	247,005
Registrations	28,091	271,154	299,245
Breed development	83,315	72,847	156,162
Projects	-	-	-
	297,705	404,707	702,412

£nil (2023: £23,778) of the above costs were attributable to restricted funds and £702,412 (2023: £786,015) was attributable to unrestricted funds.

6. Allocation of support costs

	Sales, shows and publications £	Registrations £	Breed development £	Projects £	Total £
Governance	1,183	5,287	1,421	-	7,891
Payroll	35,792	159,871	42,950	-	238,613
Travelling	4,117	18,387	4,940	-	27,444
Office costs	7,309	32,646	8,771	-	48,726
Leasing	338	1,514	407	-	2,259
Legal and professional	2,314	10,334	2,776	-	15,424
Other costs	250	1,120	301	-	1,671
Bad debts	181	808	217	-	1,206
Bank charges	1,121	5,007	1,345	-	7,473
Depreciation	8,101	36,180	9,719	-	54,000
	60,706	271,154	72,847	-	404,707

7. Governance costs

	2024 £	2023 £
Auditors' remuneration	7,368	7,293
Meetings	523	20,723
	7,891	28,016

8. Net income / (expenditure)

Net income / (expenditure) is stated after charging the following:

	2024 £	2023 £
Depreciation – owned assets	54,000	50,125
Operating lease costs	2,259	2,931
Auditors' remuneration	7,368	7,293

THE BRITISH TEXEL SHEEP SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
For the year ended 31 March 2024

9. Auditors remuneration

The auditor's remuneration amounts to an audit fee of £3,975 (2023: £3,850) and a fee for assistance with the accounts preparation of £3,393 (2023: £3,443).

10. Trustees' and key management personnel remuneration and expenses

There were no trustees' remuneration or other benefits for the year ended 31 March 2024, nor for the year ended 31 March 2023.

12 trustees (2023: 12) were reimbursed expenses as follows:	2024 £	2023 £
Travel expenses	3,184	8,628

The total amount of employee benefits received by key management personnel is £103,417 (2023: £104,367).

11. Staff costs and employee benefits

The average monthly number of employees and full time equivalents (FTE) during the year was as follows:

	2024 Ave	2024 FTE	2023 Ave	2023 FTE
Administration	3	3	4	4
Chief executive	1	1	1	1
	4	4	5	5

The total staff costs and employee benefits was as follows:	2024 £	2023 £
Salaries	198,070	228,762
Social security	17,444	21,212
Defined contribution pension costs	23,099	24,706
Other employee benefits	162	1,112
	238,775	275,792

The number of employees who received total employee benefits (excluding employer pension costs) of more than £60,000 is as follows:

	2024	2023
£80,000 - £90,000	1	1

THE BRITISH TEXEL SHEEP SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
For the year ended 31 March 2024

12. Tangible fixed assets

	Long Leasehold £	iTexel Development £	Equipment £	Total £
COST				
At 1 April 2023	170,389	463,322	183,319	817,030
Additions	-	56,926	3,495	60,421
At 31 March 2024	170,389	520,248	186,814	877,451
DEPRECIATION				
At 1 April 2023	161,886	125,026	173,745	460,657
Charge for year	500	47,268	6,232	54,000
At 31 March 2024	162,386	172,294	179,977	514,657
NET BOOK VALUE	8,003	347,954	6,837	362,794
At 31 March 2024				
At 31 March 2023	8,503	338,296	9,574	356,373

13. Fixed asset investments

Market value	2024 £	2023 £
As at 1 April 2023	662,743	675,231
Sales proceeds for management fee	(1,800)	(1,837)
Sales proceeds	(149,293)	-
Revaluation	46,066	(10,651)
As at 31 March 2024	557,716	662,743

Listed investments

	Cost £	Valuation £
At 31 March 2024	394,386	557,716
At 31 March 2023	543,378	662,743

Listed investments comprise the following:	2024 £	2023 £
NFU Mutual balanced portfolio fund	274,115	248,755
Quilters Collective Investment account	283,301	413,688
Farmers first	300	300
	557,716	662,743

THE BRITISH TEXEL SHEEP SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
For the year ended 31 March 2024

13. Fixed asset investments (continued)

Sundry listed investment

The company holds a small listed investment of 300 ordinary 50p shares in Farmers First plc. This company is incorporated in the United Kingdom and registered in England and Wales. Its Principal activity is to give assistance to UK livestock producers. The market value of these shares at the year end is not materially different to the cost of £300.

14. Debtors: amounts due within one year

	2024	2023
	£	£
Trade debtors	23,439	37,532
Value added tax	12,376	-
Other debtors	12,045	12,046
Gift aid	14,283	12,350
Prepayments	76,914	27,627
	139,057	89,555

15. Creditors: amounts falling due within one year

	2024	2023
	£	£
Trade creditors	80,348	23,531
Social security and other taxes	6,002	5,602
Value added tax	-	279
Other creditors	3,514	50
Deferred income - subscriptions	59,000	53,000
Accruals	28,102	13,655
	176,966	96,117

16. Operating leases

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2024	2023
	£	£
Not later than one year	11,391	11,391
Later than one and not later than five years	16,437	25,760
Later than five years	23,584	25,794
	51,412	62,945

17. Related party transactions

There were no material related party transactions during the year.

THE BRITISH TEXEL SHEEP SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS - CONTINUED
For the year ended 31 March 2024

18. Movement in funds

	At 1 April 2023 £	Net movement in funds £	Transfers £	At 31 March 2024 £
Unrestricted funds				
General fund	1,014,715	38,543		1,053,258
Designated fund - Breed development	100,000	-	-	100,000
	1,114,715	38,543	-	1,153,258
Restricted funds				
Smarter project	12,046	-	-	12,046
Grass to Gas project	10,145	-	-	10,145
Eastern Texel Breeders Club	4,426	-	-	4,426
	26,617	-	-	26,617
TOTAL FUNDS	1,141,332	38,543	-	1,179,875

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	696,689	(704,212)	46,066	38,543
Restricted funds				
Smarter project	-	-	-	-
Grass to Gas project	-	-	-	-
TOTAL FUNDS	696,689	(704,212)	46,066	38,543

19. Purpose of funds

The Breed Development fund is an unrestricted designated fund, created for the purpose of supporting genetic improvement of the breed.

Two separate restricted funds have been created for the purpose of managing the specific research projects each funded separately. Project 1. Smarter Project and Project 2. Grass to Gas Project.

Eastern Texel Breeders Club Committee closed their Club in 2020. This was a separate organisation not affiliated to the Texel Society. A restricted fund of £4,426 has been set up for the purpose of supporting the Club's constitution which states "in the event of the club's closure for any reason any credit of money shall be transferred to the funds of the British Texel Sheep Society for them to hold for a reasonable time in the hope that the club would be reformed at a future date".

BRITISH TEXEL SHEEP SOCIETY LIMITED – 2024 PROXY VOTING FORM

I / We .... being member(s) of The British Texel Sheep Society Limited (with Flock Code ....) hereby appoint .... and failing him/her, the Chairman as my/our proxy to vote for me/us at the Annual General Meeting of the Society to be held at **Crowne Plaza Hotel, Chester, CH1 2BD, on Saturday 16th November 2024 at 9.30am** and at every adjournment thereof such proxy to vote for or against the resolutions set out below as indicated on this form of proxy.

Notice is hereby given that the Annual General Meeting of the Society will be held for the following purposes: -

RESOLUTION 2.: Approval of the minutes and Matters Arising of the AGM which took place on **23rd November 2023 at Woodland Grange, Old Milverton Lane, Royal Leamington Spa CV32 6RN**

For .... Against ....

RESOLUTION 5.: To receive, consider and adopt the income and expenditure account for the **year ended 31st March 2024** and the balance sheet as at that date and; to receive, consider and adopt the reports of the Board of Directors and the Auditors for the **year ended 31st March 2024.**

For .... Against ....

RESOLUTION 6.: To confirm the appointment of Dafferns LLP as the Auditors for the Society and to authorise the Board of Directors to fix their remuneration.

For .... Against ....

By order of the Board

Dated **November 16th November 2024**
Registered office: The Mechanics Workshop, New Lanark,
Lanark, South Lanarkshire, ML11 9DB
Company Number SC055423

NOTES TO THE NOTICE OF ANNUAL GENERAL MEETING

Appointment of proxies

1. As a member of the Company, you are entitled to appoint a proxy to exercise all or any of your rights to attend, speak and vote at the meeting. You should download the proxy form from the Society website at texel.uk/agm or contact the Society to request a copy to be sent to you. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.

2. A proxy does not need to be a member of the Company but must attend the meeting to represent you. Details of how to appoint the Chairman of the meeting or another person as your proxy using the proxy form are set out in the notes to the proxy form.

3. If you do not give your proxy an indication of how to vote on any resolution, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting. **Appointment of proxy using hard copy proxy form**

4. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote.

5. To appoint a proxy using the proxy form, the form must be completed and signed; • sent or delivered to the Company at The Mechanics Workshop, New Lanark, Lanark, South Lanarkshire ML11 9DB or The Texel Sheep Society, Unit 74, 4th Street, Stoneleigh Park, Kenilworth, Warwickshire CV8 2LG • received by the Company no later than 48 hours prior to the commencement of the meeting.

6. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form. Changing proxy instructions

7. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded.

8. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact the Chief Executive.

9. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.

Termination of proxy appointments

10. In order to revoke a proxy instruction, you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to The Mechanics Workshop, New Lanark, Lanark, South Lanarkshire ML11 9DB, or Texel Sheep Society, Unit 74, 4th Street, Stoneleigh Park, Kenilworth, CV8 2LG. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice.

11. The revocation notice must be received by the Company no later than the commencement of the meeting or adjourned meeting at which the proxy is used.

12. Appointment of a proxy does not preclude you from attending the meeting and voting in person. If you have appointed a proxy and attend the meeting in person, your proxy appointment will automatically be terminated.

British Texel Sheep Society Ltd

Auditors:
Dafferns LLP, One Eastwood, Harry Weston Road, Binley Business Park, Coventry CV3 2UB

Solicitors:
Lodders Solicitors, 10 Elm Court, Arden Street, Stratford Upon Avon, CV37 6PA

Bankers:
The Royal Bank of Scotland, 65 Stephenson Way, Wavertree, Liverpool, L13 1HE

Registered office
The Mechanics Workshop, New Lanark, Lanark, ML11 9DB - Registered office.

Administrative Office
Unit 74 - 4th Street Stoneleigh Park, Stoneleigh Kenilworth, Warwickshire, CV8 2LG

02476 696 629, office@texel.co.uk, texel.uk

British Texel Sheep Society Limited:

- A company registered in Scotland under company number **SCO55423.**
- A Scottish Charity, **SC007271**, regulated by the Scottish Charity Regulator (OSCR).
- Cyber essentials accredited, a process that helps guard against the most common cyber threats and demonstrates our commitment to cyber security and protection of society data.