

**WELSH LAMB AND BEEF PRODUCERS LIMITED**  
**UNAUDITED**  
**COMMITTEE OF MANAGEMENT'S REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2011**



**Whittingham Riddell**

*chartered accountants*

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**WELSH LAMB AND BEEF PRODUCERS LIMITED**

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**SOCIETY INFORMATION**

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**COMMITTEE OF MANAGEMENT** Richard Howells  
Robyn Benbow  
Wyn Williams  
Aled Evans  
Helen Davies  
Huw Evans  
Ceiriog Jones  
Philip Morgan  
Dafydd Jones  
Dyfrig Siencyn  
Don Thomas  
Prytherch Rees  
David Evans  
Hedd Pugh

**SOCIETY SECRETARY** W G Jones

**SOCIETY NUMBER** IP24153R

**REGISTERED OFFICE** Gorseland  
North Road  
Aberystwyth  
Ceredigion  
SY23 2HE

**ACCOUNTANTS** Whittingham Riddell LLP  
Chartered Accountants  
Hafren House  
5 St Giles Business Park  
Newtown  
Powys  
SY16 3AJ

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**WELSH LAMB AND BEEF PRODUCERS LIMITED**

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**COMMITTEE OF MANAGEMENT'S REPORT  
FOR THE YEAR ENDED 31 MARCH 2011**

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The committee of management present their report and the financial statements for the year ended 31 March 2011.

**PRINCIPAL ACTIVITIES**

The society's principal activity is the promotion and marketing of farm assured Welsh Lamb and Welsh Beef, and the management and delivery of the Farm Assured Welsh Livestock Scheme.

**COMMITTEE OF MANAGEMENT**

The committee of management who served during the year were:

Richard Howells  
Robyn Benbow  
Wyn Williams  
Aled Evans  
Helen Davies  
Huw Evans  
Philip Morgan  
Dafydd Jones  
Dyfrig Siencyn  
Don Thomas  
Prytherch Rees  
David Evans  
Hedd Pugh  
Ceiriog Jones

In preparing this report, the committee of management have taken advantage of the small companies exemptions provided by the Industrial and Provident Societies Acts 1965 to 2002..

This report was approved by the committee of management on 27 July 2011 and signed on its behalf.

**Don Thomas**  
Director

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WELSH LAMB AND BEEF PRODUCERS LIMITED

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COMMITTEE OF MANAGEMENT'S STATEMENT  
FOR THE YEAR ENDED 31 MARCH 2011

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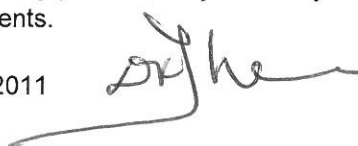
We confirm that as the committee of management we have met our duty in accordance with the Industrial and Provident Societies Act 1965 and the Friendly and Industrial and Provident Act 1968 to:

- ensure that the society has kept adequate accounting records;
- prepare financial statements which give a true and fair view of the state of affairs of the society as at 31 March 2011 and of profit and loss for that period in accordance with the Financial Reporting Standard for Smaller Entities; and
- follow the applicable accounting policies, subject to any material departures disclosed and explained in the notes to the financial statements.

On behalf of the board 27 July 2011

**Don Thomas**

Director



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**WELSH LAMB AND BEEF PRODUCERS LIMITED**

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**CHARTERED ACCOUNTANTS' INDEPENDENT ASSURANCE REPORT  
ON THE UNAUDITED FINANCIAL STATEMENTS OF WELSH LAMB AND BEEF PRODUCERS LIMITED  
FOR THE YEAR ENDED 31 MARCH 2011**

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**TO THE COMMITTEE OF MANAGEMENT OF WELSH LAMB AND BEEF PROMOTIONS LIMITED ("THE SOCIETY")**

We have performed certain procedures in respect of the society's unaudited financial statements for the year ended 31 March 2011 as set out on pages 4 to 10, made enquiries of the society's committee of management and assessed accounting policies adopted by the committee of management, in order to gather sufficient evidence for our conclusion in this report.

This report is made solely to the society's committee of management, as a body, in accordance with the terms of our engagement letter dated 16 April 2010. It has been released to the committee of management on the basis that this report shall not be copied, referred to or disclosed, in whole (save for the committee of management's own internal purposes or as may be required by law or by a competent regulator) or in part, without our prior written consent. Our work has been undertaken so that we might state to the committee of management those matters that we have agreed to state to them in this 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 society and the society's committee of management, as a body, for our work, for this report or the conclusions we have formed.

**RESPECTIVE RESPONSIBILITIES**

You have confirmed that you have met your duty as set out in the Committee of management's statement on page 2. You consider that the society is exempt from the statutory requirement for an audit for the year. Our responsibility is to form and express an independent conclusion, based on the work carried out, to you on the financial statements.

**SCOPE**

We conducted our engagement in accordance with the Institute of Chartered Accountants in England & Wales Interim Technical Release AAF 03/06. Our work was based primarily upon enquiry, analytical procedures and assessing accounting policies in accordance with the Financial Reporting Standard for Smaller Entities. If we considered it to be necessary, we also performed limited examination of evidence relevant to certain balances and disclosures in the financial statements where we became aware of matters that might indicate a risk of material misstatement in the financial statements.

The terms of our engagement exclude any requirement to carry out a comprehensive assessment of the risks of material misstatement, a consideration of fraud, laws, regulations and internal controls, and we have not done so. We are not required to, and we do not, express an audit opinion on these financial statements.

**CONCLUSION**

Based on our work, nothing has come to our attention to refute the committee of management's confirmation that in accordance with the Industrial and Provident Societies Act 1965 and the Friendly and Industrial and Provident Act 1968 the financial statements give a true and fair view of the state of the society's affairs as at 31 March 2011 and of its profit for the year then ended and have been properly prepared in accordance with the Financial Reporting Standard for Smaller Entities.

**Whittingham Riddell LLP**  
Chartered Accountants  
Newtown

13 October 2011



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**WELSH LAMB AND BEEF PRODUCERS LIMITED**

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**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2011**

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	Note	2011 £	2010 £
<b>TURNOVER</b>	1	<b>955,781</b>	967,985
Cost of sales		<u>(897,682)</u>	<u>(902,441)</u>
<b>GROSS PROFIT</b>		<b>58,099</b>	65,544
Administrative expenses		<u>(43,181)</u>	<u>(46,293)</u>
<b>OPERATING PROFIT</b>	2	<b>14,918</b>	19,251
Interest receivable and similar income	4	<u>2,279</u>	<u>1,501</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>17,197</b>	20,752
Tax on profit on ordinary activities	5	<u>(479)</u>	<u>(488)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	11	<u><b>16,718</b></u>	<u>20,264</u>

The notes on pages 6 to 10 form part of these financial statements.

**WELSH LAMB AND BEEF PRODUCERS LIMITED**  
**REGISTERED NUMBER: IP24153R**

**BALANCE SHEET**  
**AS AT 31 MARCH 2011**

	Note	2011 £	2010 £
<b>FIXED ASSETS</b>			
Tangible assets	6	51,625	53,375
Investments	7	25	25
		<u>51,650</u>	<u>53,400</u>
<b>CURRENT ASSETS</b>			
Debtors	8	15,536	7,694
Cash at bank and in hand		1,308,771	1,181,475
		<u>1,324,307</u>	<u>1,189,169</u>
<b>CREDITORS:</b> amounts falling due within one year	9	(839,930)	(723,311)
<b>NET CURRENT ASSETS</b>		<u>484,377</u>	<u>465,858</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>536,027</u>	<u>519,258</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	10	1,911	1,860
Profit and loss account	11	534,116	517,398
<b>SHAREHOLDERS' FUNDS</b>		<u>536,027</u>	<u>519,258</u>

The financial statements have been prepared in accordance with the special provisions applicable to small entities, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The financial statements were approved and authorised for issue by the committee of management and were signed on its behalf on 27 July 2011.



**Richard Howells**  
Director



**Don Thomas**  
Director

The notes on pages 6 to 10 form part of these financial statements.

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**WELSH LAMB AND BEEF PRODUCERS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011**

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**1. ACCOUNTING POLICIES**

**1.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

**1.2 Cash flow**

The financial statements do not include a Cash flow statement because the society, as a small reporting entity, is exempt from the requirement to prepare such a statement under the Financial Reporting Standard for Smaller Entities (effective April 2008).

**1.3 Turnover**

Turnover comprises revenue recognised by the society in respect of goods and services supplied, exclusive of Value Added Tax and trade discounts.

**1.4 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2.5% straight line
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**1.5 Investments**

Investments held as fixed assets are shown at cost less provision for impairment.

**1.6 Deferred taxation**

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

**1.7 Government grants**

Government grants relating to tangible fixed assets are treated as deferred income and released to the Profit and loss account over the expected useful lives of the assets concerned. Other grants are credited to the Profit and loss account as the related expenditure is incurred.



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WELSH LAMB AND BEEF PRODUCERS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011

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1. ACCOUNTING POLICIES (continued)

1.8 Taxation

The society is only liable to corporation tax on its investment income.

2. OPERATING PROFIT

The operating profit is stated after charging:

	2011 £	2010 £
Depreciation of tangible fixed assets: - owned by the society	1,750	1,750

3. COMMITTEE OF MANAGEMENT'S REMUNERATION

	2011 £	2010 £
Aggregate emoluments	7,467	6,176

4. INTEREST RECEIVABLE

	2011 £	2010 £
Other interest receivable	2,279	1,501

5. TAXATION

	2011 £	2010 £
<b>Analysis of tax charge in the year</b>		
UK corporation tax charge on profit for the year	479	315
Adjustments in respect of prior periods	-	173
<b>Tax on profit on ordinary activities</b>	<b>479</b>	<b>488</b>

**Factors affecting tax charge for the year**

Tax is chargeable purely on investment income.

**Factors that may affect future tax charges**

Tax will be chargeable purely on investment income in future.

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**WELSH LAMB AND BEEF PRODUCERS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011**

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**6. TANGIBLE FIXED ASSETS**

	Freehold property £
<b>Cost</b>	
At 1 April 2010 and 31 March 2011	70,000
<b>Depreciation</b>	
At 1 April 2010	16,625
Charge for the year	1,750
At 31 March 2011	18,375
<b>Net book value</b>	
At 31 March 2011	51,625
At 31 March 2010	53,375

**7. FIXED ASSET INVESTMENTS**

	Investments in Subsidiary Companies £
<b>Cost or valuation</b>	
At 1 April 2010 and 31 March 2011	25
<b>Net book value</b>	
At 31 March 2011	25
At 31 March 2010	25

**8. DEBTORS**

	2011 £	2010 £
Trade debtors	13,022	5,676
Amounts owed by group undertakings	2,018	2,018
Other debtors	496	-
	15,536	7,694

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**WELSH LAMB AND BEEF PRODUCERS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011**

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**9. CREDITORS:**

**Amounts falling due within one year**

	2011 £	2010 £
Trade creditors	9,145	10,644
Amounts owed to group undertakings	340,753	264,245
Corporation tax	479	315
Social security and other taxes	72,596	67,275
Other creditors	416,957	380,832
	<u>839,930</u>	<u>723,311</u>

**10. SHARE CAPITAL**

	2011 £	2010 £
<b>Allotted, called up and fully paid</b>		
7,643 (2010 - 7,440) Ordinary shares of £0.25 each	<u>1,911</u>	<u>1,860</u>

In accordance with the Society's Rules, one ordinary share was issued to 335 new members joining the Society in the year. The nominal cost was taken out of the member's first subscription fee. During the year, 133 members have left the society and their shares have been cancelled.

**11. RESERVES**

	Profit and loss account £
At 1 April 2010	517,398
Profit for the year	16,718
	<u>534,116</u>
At 31 March 2011	

**12. RELATED PARTY TRANSACTIONS**

*Welsh Agricultural Organisation Society Limited (WAOS):* The Committee of Management consider WAOS a related party due to its close operating links and influence, shared management and objectives. WAOS provided services to the society during the year of £5,678 (2010: £6,699). The society provided services to WAOS during the year of £nil (2010: £nil). At the year end the Society owed £23,397 (2010: £21,919) to WAOS.

*Quality Welsh Food Certification Limited (QWFC):* The Committee of Management consider QWFC a related party due to its close operating links and influence, shared management and objectives. QWFC provided services for the society during the year of £867,029 (2010: £900,191). The society owed £317,355 (2010: £242,326) to QWFC at the year end. The society provided services to QWFC during the year of £3,622 (2010: £15,765). At the year end there was £2,018 outstanding (2010: £2,018).

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WELSH LAMB AND BEEF PRODUCERS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2011

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12. RELATED PARTY TRANSACTIONS (continued)