

**WELSH LAMB AND BEEF PRODUCERS LIMITED**  
**UNAUDITED**  
**COMMITTEE OF MANAGEMENT'S REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2012**

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**WELSH LAMB AND BEEF PRODUCERS LIMITED**

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**SOCIETY INFORMATION**

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<b>COMMITTEE OF MANAGEMENT</b>	Richard Howells Robyn Benbow David Evans Wyn Williams Aled Evans Helen Davies Huw Evans Ceiriog Jones Philip Morgan Dafydd Jones Dyfrig Siencyn Don Thomas Hedd Pugh Prytherch Rees
<b>SOCIETY SECRETARY</b>	W G Jones
<b>SOCIETY NUMBER</b>	IP24153R
<b>REGISTERED OFFICE</b>	Gorseland North Road Aberystwyth Ceredigion SY23 2HE
<b>ACCOUNTANTS</b>	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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## **WELSH LAMB AND BEEF PRODUCERS LIMITED**

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### **COMMITTEE OF MANAGEMENT'S REPORT FOR THE YEAR ENDED 31 MARCH 2012**

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The committee of management present their report and the financial statements for the year ended 31 March 2012.

#### **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  
David Evans  
Wyn Williams  
Aled Evans  
Helen Davies  
Huw Evans  
Ceiriog Jones  
Philip Morgan  
Dafydd Jones  
Dyfrig Siencyn  
Don Thomas  
Hedd Pugh  
Prytherch Rees

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 8 August 2012 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 2012**

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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 2012 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 8 August 2012

**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 2012**

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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 2012 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 10 April 2012. 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 2012 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

4 October 2012

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**WELSH LAMB AND BEEF PRODUCERS LIMITED**

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**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 MARCH 2012**

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	Note	2012 £	2011 £
<b>TURNOVER</b>	1	1,062,037	955,781
Cost of sales		(994,915)	(897,682)
		<hr/>	<hr/>
<b>GROSS PROFIT</b>		67,122	58,099
Administrative expenses		(51,596)	(43,181)
		<hr/>	<hr/>
<b>OPERATING PROFIT</b>	2	15,526	14,918
Interest receivable and similar income	4	2,142	2,279
		<hr/>	<hr/>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		17,668	17,197
Tax on profit on ordinary activities	5	(428)	(479)
		<hr/>	<hr/>
<b>PROFIT FOR THE FINANCIAL YEAR</b>	11	17,240	16,718
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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 2012**

	Note	£	2012	£	£	2011	£
<b>FIXED ASSETS</b>							
Tangible assets	6			<b>49,875</b>			51,625
Investments	7			<b>25</b>			25
				<u><b>49,900</b></u>			<u>51,650</u>
<b>CURRENT ASSETS</b>							
Debtors	8		<b>28,440</b>			15,536	
Cash at bank			<b>1,419,252</b>			1,308,771	
			<u><b>1,447,692</b></u>			<u>1,324,307</u>	
<b>CREDITORS:</b> amounts falling due within one year	9		<u><b>(944,377)</b></u>			<u>(839,931)</u>	
<b>NET CURRENT ASSETS</b>				<u><b>503,315</b></u>			<u>484,376</u>
<b>NET ASSETS</b>				<u><b>553,215</b></u>			<u>536,026</u>
<b>CAPITAL AND RESERVES</b>							
Called up share capital	10			<b>1,860</b>			1,911
Profit and loss account	11			<b>551,355</b>			534,115
<b>SHAREHOLDERS' FUNDS</b>				<u><b>553,215</b></u>			<u>536,026</u>

The committee of management consider that the society is entitled to exemption from the requirement to have an audit under the provisions of section 477 of the Companies Act 2006 ("the Act") and members have not required the society to obtain an audit for the year in question in accordance with section 476 of the Act.

The committee of management acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and for preparing financial statements which give a true and fair view of the state of affairs of the society as at 31 March 2012 and of its profit for the year in accordance with the requirements of sections 394 and 395 of the Act and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the society.

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 8 August 2012.

**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 2012

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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 during the year, 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 Taxation

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

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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 2012

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2. OPERATING PROFIT

The operating profit is stated after charging:

	2012 £	2011 £
Depreciation of tangible fixed assets: - owned by the society	1,750	1,750

3. COMMITTEE OF MANAGEMENT'S REMUNERATION

	2012 £	2011 £
Aggregate emoluments	6,769	7,185

4. INTEREST RECEIVABLE

	2012 £	2011 £
Other interest receivable	2,142	2,279

5. TAXATION

	2012 £	2011 £
UK corporation tax charge on profit for the year	428	479

**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 2012**

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**6. TANGIBLE FIXED ASSETS**

	Freehold property £
<b>Cost</b>	
At 1 April 2011 and 31 March 2012	70,000
<b>Depreciation</b>	
At 1 April 2011	18,375
Charge for the year	1,750
At 31 March 2012	20,125
<b>Net book value</b>	
At 31 March 2012	49,875
At 31 March 2011	51,625

**7. FIXED ASSET INVESTMENTS**

	Investments in Subsidiary Companies £
<b>Cost or valuation</b>	
At 1 April 2011 and 31 March 2012	25
<b>Net book value</b>	
At 31 March 2012	25
At 31 March 2011	25

**8. DEBTORS**

	2012 £	2011 £
Trade debtors	26,106	13,022
Amounts owed by group undertakings	2,018	2,018
Other debtors	316	496
	28,440	15,536

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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 2012**

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**9. CREDITORS:**

**Amounts falling due within one year**

	2012 £	2011 £
Trade creditors	21,745	9,145
Amounts owed to group undertakings	434,418	340,753
Corporation tax	428	479
Social security and other taxes	70,561	72,596
Other creditors	417,225	416,958
	<u>944,377</u>	<u>839,931</u>

**10. SHARE CAPITAL**

	2012 £	2011 £
<b>Allotted, called up and fully paid</b>		
7,440 (2011 - 7,644) Ordinary shares of £0.25 each	<u>1,860</u>	<u>1,911</u>

**11. RESERVES**

	Profit and loss account £
At 1 April 2011	534,115
Profit for the year	17,240
At 31 March 2012	<u>551,355</u>

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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 2012

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#### 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 £5,944 (2011: £5,678). The society provided services to WAOS during the year of £nil (2011: £nil). At the year end the Society owed £22,923 (2011: £23,397) 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 £947,638 (2011: £867,029). The society owed £411,495 (2011: £317,355) to QWFC at the year end. The society provided services to QWFC during the year of £3,318 (2011: £3,622). At the year end there was £2,018 outstanding (2011: £2,018).