

**WELSH LAMB AND BEEF
PRODUCERS LIMITED**

UNAUDITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2016



Whittingham Riddell

chartered accountants

WELSH LAMB AND BEEF PRODUCERS LIMITED

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WELSH LAMB AND BEEF PRODUCERS LIMITED

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF COMMITTEE OF MANAGERMENTS ON THE
PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF WELSH LAMB AND
BEEF PRODUCERS LIMITED
FOR THE YEAR ENDED 31 MARCH 2016**

We report on the accounts for the year ended 31 March 2016 set out on pages 2 to 6.

Respective responsibilities of the committee of management and the independent reporting accountant

The society's Committee of Management is responsible for the preparation of the accounts, and they consider that the society is exempt from an audit. It is our responsibility to carry out procedures designed to enable us to report our opinion.

Basis of opinion

Our procedures consisted of comparing the accounts with the books of account kept by the society and making such limited enquiries of the officers of the society as we considered necessary for the purpose of this report. These procedures provide the only assurance expressed in our opinion.

Opinion

In our opinion

- the revenue account and balance sheet for year ended 31 March 2016 are in agreement with the books of account kept by the society under section 75 of the Co-operative and Community Benefit Societies Act 2014;
- having regard only to, and on the basis of the information contained in the books of account, the revenue account and balance sheet for the year ended 31 March 2016 comply with the requirements of the Co-operative and Community Benefit Societies Act 2014; and
- the society met the financial criteria enabling it to disapply the requirement to have an audit of the accounts for the year specified in section 84 of the Co-operative and Community Benefit Societies Act 2014.



Whittingham Riddell LLP

Chartered Accountants

Hafren House
5 St Giles Business Park
Newtown
Powys
SY16 3AJ

Date: 19/12/16

WELSH LAMB AND BEEF PRODUCERS LIMITED
REGISTERED NUMBER: IP24153R

BALANCE SHEET
AS AT 31 MARCH 2016

| | Note | £ | 2016 £ | £ | 2015 £ |
|---|------|------------------|-----------------------|------------------|-----------------------|
| FIXED ASSETS | | | | | |
| Tangible assets | 6 | | 84,923 | | 45,746 |
| Investments | 7 | | 25 | | 25 |
| | | | <u>84,948</u> | | <u>45,771</u> |
| CURRENT ASSETS | | | | | |
| Debtors | 8 | 189,057 | | 16,990 | |
| Cash at bank | | 1,604,351 | | 1,648,705 | |
| | | <u>1,793,408</u> | | <u>1,665,695</u> | |
| CREDITORS: amounts falling due within one year | 9 | (1,173,765) | | (1,027,883) | |
| NET CURRENT ASSETS | | | <u>619,643</u> | | <u>637,812</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | | <u>704,591</u> | | <u>683,583</u> |
| PROVISIONS FOR LIABILITIES | | | | | |
| Deferred Tax | 10 | | (1,593) | | - |
| NET ASSETS | | | <u><u>702,998</u></u> | | <u><u>683,583</u></u> |
| CAPITAL AND RESERVES | | | | | |
| Called up share capital | 11 | | 1,831 | | 1,869 |
| Profit and loss account | 12 | | 701,167 | | 681,714 |
| SHAREHOLDERS' FUNDS | 13 | | <u><u>702,998</u></u> | | <u><u>683,583</u></u> |

WELSH LAMB AND BEEF PRODUCERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

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 January 2015).

1.2 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.

1.3 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 |
| Office Equipment | - | 33% Straight Line |
| Computer Equipment | - | 20% Straight line |

1.4 Investments

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

1.5 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.

1.6 Taxation

The society is only liable to corporation tax on its investment income and profit from sales to non-members.

WELSH LAMB AND BEEF PRODUCERS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2016**

6. TANGIBLE FIXED ASSETS

| | Freehold property £ | Office Equipment £ | Computer Equipment £ | Total £ |
|-----------------------|---------------------------|--------------------------|----------------------------|----------------|
| Cost | | | | |
| At 1 April 2015 | 70,000 | 1,153 | - | 71,153 |
| Additions | - | - | 51,633 | 51,633 |
| At 31 March 2016 | <u>70,000</u> | <u>1,153</u> | <u>51,633</u> | <u>122,786</u> |
| Depreciation | | | | |
| At 1 April 2015 | 25,375 | 32 | - | 25,407 |
| Charge for the year | 1,750 | 380 | 10,326 | 12,456 |
| At 31 March 2016 | <u>27,125</u> | <u>412</u> | <u>10,326</u> | <u>37,863</u> |
| Net book value | | | | |
| At 31 March 2016 | <u>42,875</u> | <u>741</u> | <u>41,307</u> | <u>84,923</u> |
| At 31 March 2015 | <u>44,625</u> | <u>1,121</u> | <u>-</u> | <u>45,746</u> |

7. FIXED ASSET INVESTMENTS

| | Investments in Associates £ |
|-----------------------------------|--------------------------------------|
| Cost or valuation | |
| At 1 April 2015 and 31 March 2016 | <u>25</u> |
| Net book value | |
| At 31 March 2016 | <u>25</u> |
| At 31 March 2015 | <u>25</u> |

8. DEBTORS

| | 2016 £ | 2015 £ |
|------------------------------------|----------------|---------------|
| Trade debtors | 65,246 | 7,113 |
| Amounts owed by group undertakings | 120,983 | - |
| Other debtors | 2,828 | 9,877 |
| | <u>189,057</u> | <u>16,990</u> |

WELSH LAMB AND BEEF PRODUCERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2016

12. RESERVES

| | Profit and loss account £ |
|-------------------------------|---------------------------------|
| At 1 April 2015 | 681,714 |
| Profit for the financial year | 19,453 |
| | <hr/> |
| At 31 March 2016 | 701,167 |
| | <hr/> |

13. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

| | 2016 £ | 2015 £ |
|---|-----------|-----------|
| Opening shareholders' funds | 683,583 | 636,831 |
| Profit for the financial year | 19,453 | 46,750 |
| Shares issued during the year | - | 2 |
| Shares redeemed/cancelled during the year | (38) | - |
| | <hr/> | <hr/> |
| Closing shareholders' funds | 702,998 | 683,583 |
| | <hr/> | <hr/> |

14. 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 and recharges to the society during the year of £366,667 (2015: £219,885). At the year end the Society owed £651,537 (2015: £441,537) 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 £712,284 (2015: £676,746). At the year end the Society owed £120,983 to QWFC (2015: £60,617 owed from QWFC).