

# The British Egg Industry Council (Limited By Guarantee)

## FINANCIAL STATEMENTS

for the year ended

31 December 2013

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COMPANIES HOUSE

Company Registration No. 2022235

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# The British Egg Industry Council (Limited By Guarantee)

## COMPANY INFORMATION

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DIRECTORS	G A Wright O.B.E A D Jorêt R B Kerr S Turner R D Hay J V Vergerson C D Brenton D N Priestner J L McLenaghan E G Griffiths R Gent
SECRETARY	M Williams
COMPANY NUMBER	2022235
REGISTERED OFFICE	89 Charterhouse Street London EC1M 6HR
AUDITOR	Baker Tilly UK Audit LLP Portland 25 High Street Crawley West Sussex RH10 1BG

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# The British Egg Industry Council (Limited By Guarantee)

## DIRECTORS' REPORT

For the year ended 31 December 2013

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The directors present their report and financial statements for the year ended 31 December 2013.

### PRINCIPAL ACTIVITIES

The company is principally engaged in promotion and marketing of egg production and sales.

### DIRECTORS

The following directors have held office since 1 January 2013:

G A Wright O.B.E

A D Jorêt

R B Kerr

S Turner

R D Hay

J V Vergerson

C D Brenton

D N Priestner

J L McLenaghan

E G Griffiths

R Gent

### AUDITOR


Baker Tilly UK Audit LLP has indicated its willingness to continue in office.

### STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The directors who are in office on the date of approval of these financial statements have confirmed that, as far as they are aware, there is no relevant audit information of which the auditor is unaware. Each of the directors have confirmed that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditor.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



A D Jorêt

DIRECTOR

5 March 2014

# The British Egg Industry Council (Limited By Guarantee)

## DIRECTORS' RESPONSIBILITIES IN THE PREPARATION OF FINANCIAL STATEMENTS

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The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing those financial statements, the directors are required to:

- a. select suitable accounting policies and then apply them consistently;
- b. make judgements and accounting estimates that are reasonable and prudent;
- c. prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BRITISH EGG INDUSTRY COUNCIL (LIMITED BY GUARANTEE)

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We have audited the financial statements set out on pages 4 to 10. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' 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 company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

## RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As more fully explained in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

## SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at [http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-\(issued-1-December-2010\).aspx](http://www.frc.org.uk/Our-Work/Codes-Standards/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Scope-of-audit/UK-Private-Sector-Entity-(issued-1-December-2010).aspx).

## OPINION ON THE FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and its profit 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.

## OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

  
GEOFF WIGHTWICK (SENIOR STATUTORY AUDITOR)

FOR AND ON BEHALF OF BAKER TILLY UK AUDIT LLP, STATUTORY AUDITOR

Chartered Accountants

Portland

25 High Street

Crawley

West Sussex

RH10 1BG

18 July 2014

# The British Egg Industry Council (Limited By Guarantee)

## PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2013

	Notes	2013 £	2012 £
TURNOVER		2,587,132	2,278,112
Other operating expenses	1	(2,547,839)	(2,255,844)
OPERATING PROFIT		39,293	22,268
Investment income	2	689	568
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	39,982	22,836
Taxation	4	(7,996)	(4,568)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION	10	31,986	18,268

The profit for the year arises from the company's continuing operations.

No separate Statement of Total Recognised Gains and Losses has been presented as all such gains and losses have been dealt with in the Profit and Loss Account.

# The British Egg Industry Council (Limited By Guarantee)

## BALANCE SHEET

As at 31 December 2013

	Notes	2013 £	2012 £
<b>FIXED ASSETS</b>			
Tangible assets	5	5,440	11,839
<b>CURRENT ASSETS</b>			
Debtors	6	177,115	227,600
Cash at bank and in hand		1,496,153	1,140,575
		<u>1,673,268</u>	<u>1,368,175</u>
<b>CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>	7	<u>(1,414,761)</u>	<u>(1,146,865)</u>
<b>NET CURRENT ASSETS</b>		<u>258,507</u>	<u>221,310</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>263,947</u>	<u>233,149</u>
<b>PROVISIONS FOR LIABILITIES</b>	8	<u>(666)</u>	<u>(1,854)</u>
<b>NET ASSETS</b>		<u>263,281</u>	<u>231,295</u>
<b>RESERVES</b>			
Profit and loss account	10	<u>263,281</u>	<u>231,295</u>
<b>MEMBERS' FUNDS</b>	11	<u>263,281</u>	<u>231,295</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements on pages 3 to 9 were approved by the board of directors and authorised for issue on 5 March 2014 and are signed on its behalf by:

*A. D. Jorêt*

A D Jorêt  
DIRECTOR

# The British Egg Industry Council (Limited By Guarantee)

## ACCOUNTING POLICIES

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### BASIS OF ACCOUNTING

The financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards.

### TURNOVER

Turnover represents a levy on egg production under the Lion Quality Scheme. The income received is allocated to the periods to which they relate.

### 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 less estimated residual value of each asset over its expected useful life, as follows:

Fixtures, fittings & equipment	33% straight line
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### LEASING

Rentals payable under operating leases are charged against income on a straight line basis over the lease term.

### RETIREMENT BENEFITS

The company operates a defined contribution scheme for the benefit of its employees. Contributions payable are charged to the profit and loss account in the year they are payable.

### DEFERRED TAXATION

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

### CASH FLOW STATEMENTS

The company has taken advantage of the small company exemption from preparing a cashflow statement under the terms of FRS1.



# The British Egg Industry Council (Limited By Guarantee)

## NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2013

1	OTHER OPERATING EXPENSES	2013 £	2012 £
	Administrative expenses	<u>2,547,839</u>	<u>2,255,844</u>
2	INVESTMENT INCOME	2013 £	2012 £
	Bank interest	<u>689</u>	<u>568</u>
3	PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	2013 £	2012 £
	Profit is stated after charging:		
	Depreciation of tangible assets		
	- Owned assets	6,399	6,491
	Operating lease rentals	31,000	31,000
	Auditor's remuneration	<u>5,350</u>	<u>5,200</u>

None of the directors received emoluments in respect of qualifying services provided during the year, or are accruing retirement benefits under money purchase or defined benefit schemes.

# The British Egg Industry Council (Limited By Guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2013

4	TAXATION	2013 £	2012 £
	UK Corporation tax		
	Current tax on profit of the period	9,184	4,349
	<b>CURRENT TAX CHARGE</b>	<b>9,184</b>	<b>4,349</b>
	DEFERRED TAX		
	Deferred tax charge current year	(1,188)	219
	Tax on profit on ordinary activities	7,996	4,568
	<b>FACTORS AFFECTING THE TAX CHARGE FOR THE YEAR</b>		
	The tax assessed for the year is higher than the standard rate of corporation tax for small companies (20%) as explained below:		
	Profit on ordinary activities before taxation	39,982	22,836
	Profit on ordinary activities before taxation multiplied by the standard rate of UK corporation tax for small companies of 20.00% (2012 - 20.00%)	7,996	4,567
	Effects of:		
	Non deductible expenses	-	75
	Excess of depreciation over capital allowances	1,188	(293)
		1,188	(218)
	<b>CURRENT TAX CHARGE</b>	<b>9,184</b>	<b>4,349</b>
5	TANGIBLE FIXED ASSETS		
			Fixtures, fittings and equipment £
	<b>COST</b>		
	At 1 January 2013 & at 31 December 2013		88,566
	<b>DEPRECIATION</b>		
	At 1 January 2013		76,727
	Charge for the year		6,399
	At 31 December 2013		83,126
	<b>NET BOOK VALUE</b>		
	At 31 December 2013		5,440
	At 31 December 2012		11,839

# The British Egg Industry Council (Limited By Guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2013

6	DEBTORS	2013 £	2012 £
	Trade debtors	45,798	50,906
	Other debtors	131,317	176,694
		<u>177,115</u>	<u>227,600</u>

7	CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	2013 £	2012 £
	Trade creditors	638,975	518,746
	Taxation and social security	19,052	24,357
	Other creditors	756,734	603,762
		<u>1,414,761</u>	<u>1,146,865</u>

### 8 PROVISIONS FOR LIABILITIES

THE DEFERRED TAX LIABILITY IS MADE UP AS FOLLOWS:

	2013 £
Balance at 1 January 2013	1,854
Profit and loss account	(1,188)
	<u>666</u>
Balance at 31 December 2013	<u>666</u>

	2013 £	2012 £
Accelerated capital allowances	<u>666</u>	<u>1,854</u>

### 9 PENSION AND OTHER POST-RETIREMENT BENEFIT COMMITMENTS PERSONAL PENSIONS

	2013 £	2012 £
Contributions payable by the company for the year	<u>31,529</u>	<u>23,893</u>

# The British Egg Industry Council (Limited By Guarantee)

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2013

### 10 RESERVES

	Profit and loss account
	£
Balance at 1 January 2013	231,295
Profit for the year	31,986
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Balance at 31 December 2013	263,281
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### 11 LIABILITIES OF MEMBERS

Under clause 6 of the Memorandum of Association, every member of the Association undertakes to contribute to the assets of the Association in the event of the same being wound up while he is a member or within one year after he ceases to be a member, for payment of the debts and liabilities of the Association contracted before he ceases to be a member and of the costs, charges and expenses of winding-up and for the adjustments of the rights of the contributories among themselves, such amount as may be required not exceeding £1.

### 12 FINANCIAL COMMITMENTS

At 31 December 2013 the company was committed to making the following payments under non-cancellable operating leases in the year to 31 December 2014:

	Land and buildings	
	2013	2012
	£	£
Operating leases which expire:		
Within one year	31,000	-
Between one and two years	-	31,000
	<hr/>	<hr/>
	31,000	31,000
	<hr/>	<hr/>

### 13 RELATED PARTY TRANSACTIONS

The levy income is derived from member companies. Those same member companies may appoint from among themselves representatives who serve on Council who are, for Companies Act purposes, directors of the company. These representatives may also be directors or senior executives of the member company. Expenses of the members are borne by the company during the year. All transactions are conducted on normal commercial terms.

# The British Egg Industry Council (Limited By Guarantee)

## MANAGEMENT INFORMATION

For The Year Ended 31 December 2013

The management information pages are supplementary to, but do not form part of, the statutory financial statements.

# The British Egg Industry Council (Limited by Guarantee)

## DETAILED PROFIT AND LOSS ACCOUNT

for the year ended 31 December 2013

	2013 £	2013 £	2012 £	2012 £
Industry levy		2,117,581		1,890,869
VMD levy		120,000		120,000
Additional activity levy		200,000		110,000
Bank interest received – gross		689		568
Divisional income		78,720		78,846
Other income (Zoonoses, EEPTA/EUWEP, IEC)		70,831		78,397
		<u>2,587,821</u>		<u>2,278,680</u>
Promotional expenses		1,118,744		1,092,013
Members' expenses		2,965		8,814
Research, development and technical consultancy		26,579		18,273
Monitoring Agency (Incl. Zoonoses)		369,435		275,550
VMD expenses		118,000		109,446
Consumer research		-		60,728
Additional consumer research & PR activity budget		130,270		109,825
CTACBTT		224,596		-
DIVISIONAL EXPENSES				
Travel and meeting costs	2,617		2,883	
Public relations	50,000		50,800	
EEPTA subscription	2,072		1,885	
Other expenses	1,692		2,868	
		<u>56,381</u>		<u>58,436</u>
OVERHEAD EXPENSES				
Salaries and employment costs	309,048		297,209	
Rent, rates and service charges	59,920		62,509	
Communication expenses	16,825		14,697	
Other office expenses	9,633		11,286	
Audit fee	5,350		5,200	
Subscriptions	10,508		10,180	
Financial administration	38,101		36,940	
Legal and professional fees	9,829		41,118	
Depreciation	6,399		6,491	
Bank charges	1,193		1,423	
Computer costs	5,469		5,129	
Travel and meeting costs	16,814		15,989	
Insurance	11,667		12,378	
Office repairs	113		2,210	
		<u>500,869</u>		<u>522,759</u>
		<u>2,547,839</u>		<u>2,255,844</u>
NET PROFIT FOR THE YEAR		<u>39,982</u>		<u>22,836</u>

This page does not form part of the statutory financial statements