



British Wool

Report and Accounts

2021



Contents

- 03 British Wool's Purpose
- 04 Chairman's Welcome
- 05 The Board
- 06 Year in Summary
- 09 Chief Executive's Statement
- 14 Financial Summary
- 15 Report of the Board
- 19 Summary Financial Statements
- 23 Notice of Annual General Meeting

British Wool's Purpose

Our purpose is to drive sustainable demand for British wool in order to maximise returns for our producers.

Our three strategic pillars are:



Key principles:

British Wool is a producer led organisation.

British Wool works on behalf of its members under cooperative principles.

British Wool accepts wool from all producers regardless of type, location and quantity.

British Wool markets the wool collectively to maximise the value received by all wool producers in the UK.

Chairman's Welcome



With large parts of the global economy closed due to Covid restrictions for much of the year we have faced the most challenging period in British Wool's history. The subsequent drop in demand had a detrimental effect on global wool prices with no wool growing nation insulated from the effects of the pandemic. However despite these well documented issues we reacted very swiftly to the new market conditions we were faced with and this was crucial to ensure the survival of your organisation.

The most significant challenge going into this year was the level of stock we had from the 2019 season (c. 11 million kgs). With the auction room closed to customers we moved our sales online and increased the frequency of wool auctions to every two weeks. I am delighted to confirm that we have successfully cleared the stock overhang and closed the 2020 clip year with a normal stock position. Prices are also starting to recover and this is covered more extensively in the CEO's report.

In January 2021 we announced a restructuring of our grading depot network. Some savings have already come through in the 2020 clip year with more to follow this coming season. This was a difficult but necessary process to help us deliver better value to producers for their wool.

I would like to welcome Kate Drury to the board as our representative for the English Central region, Kate's drive and enthusiasm is already proving to be a valuable asset to the business. Kate has replaced Richard Cottrill, who served as a board member for six years and latterly as Vice Chairman. I would personally like to thank Richard for all of his hard work over the years and wish him the very best for the future. Our Northern Ireland board

member, Brendan Kelly, replaces Richard as Vice Chairman. I would also like to thank Marko Ilincic following his departure in July 2021 for his much valued contribution and the support he has provided to the board and the Executive over the last few years.

Looking forward we are working on some exciting new products and initiatives. Some of these were launched post year end and others, such as looking for new innovative uses for our wool, will be introduced over the medium to long term. Driving demand for British wool is crucial as we work to maximise the value of our product on behalf of wool producers.

We are a cooperative and we firmly believe that the collaborative marketing of the UK wool clip is the best way to deliver value for wool producers. If anything the principal of collaborative marketing is even more essential today than it was when British Wool was established in 1950.

Jim Robertson
Chairman

The Board

The non-executive board members, together with the Executive Officers, who served in the year, are shown below:

Regional Members

J Robertson	Scottish Southern Region (Chairman)
RA Cottrill	English Central Region (Vice Chairman) (Retired 31 March 2021)
B Kelly	Northern Ireland Region (Vice Chairman)
H Evans	Welsh Northern Region
D Fraser	Scottish Northern Region
J Davies	Welsh Southern Region
A Marshall	English South Western Region
C Stephenson	English Northern Region
R Blanden	English Southern Region
K Drury MRAC	English Central Region (Appointed 1 April 2021)

Independent Members

R Davies
J Lea FCMA

Consultant to the Board

M Ilincic* (Resigned 29 July 2021)
*Not appointed under the British Wool Marketing Scheme (Approval) Order, 1950.

Executive Officers

J Farren	(Chief Executive Officer) (Resigned 4 November 2020)
A Hogley CFA	(Chief Executive Officer) (Appointed 5 November 2020)
A Whelan ACA	(Chief Financial Officer, Board Secretary)

Mr Hogley was appointed acting Chief Executive Officer on 5 November 2020 and permanent Chief Executive Officer with effective from 30 April 2021.

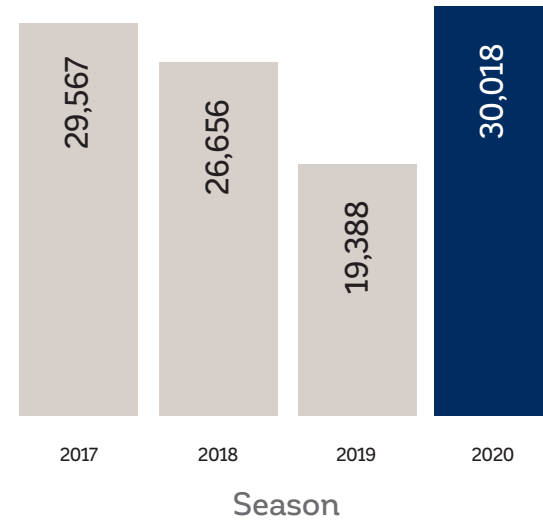
Biographies of board members are shown on the British Wool website (www.britishwool.org.uk/the-board).

Year in Summary

Sales of Greasy Wool / kgs / 2017 – 2021



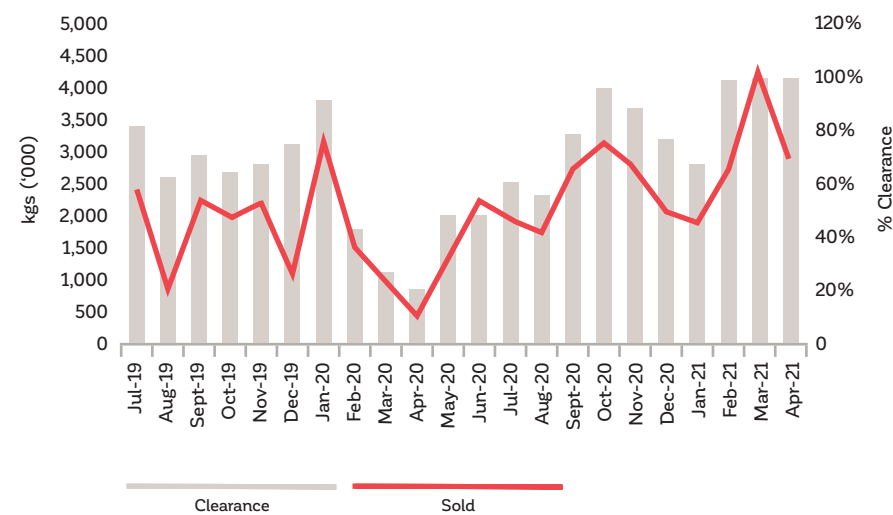
We sold more wool in 2020 than in any of the previous four years and have now cleared the stock overhang position.



British Wool Sales / July 2019 – April 2021



Sales volumes and auction clearances through February, March and April 2020 were minimal as a result of the market closure in the first Covid lockdown. Both have recovered and there is improved demand and competition for British wool.

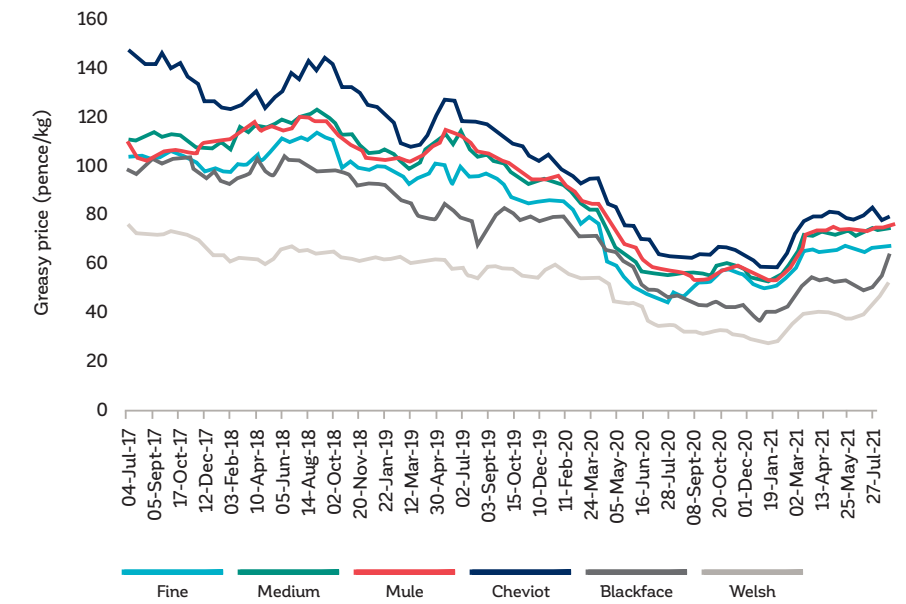


Year in Summary (continued)

Auction Prices by Type / July 2017 – July 2021



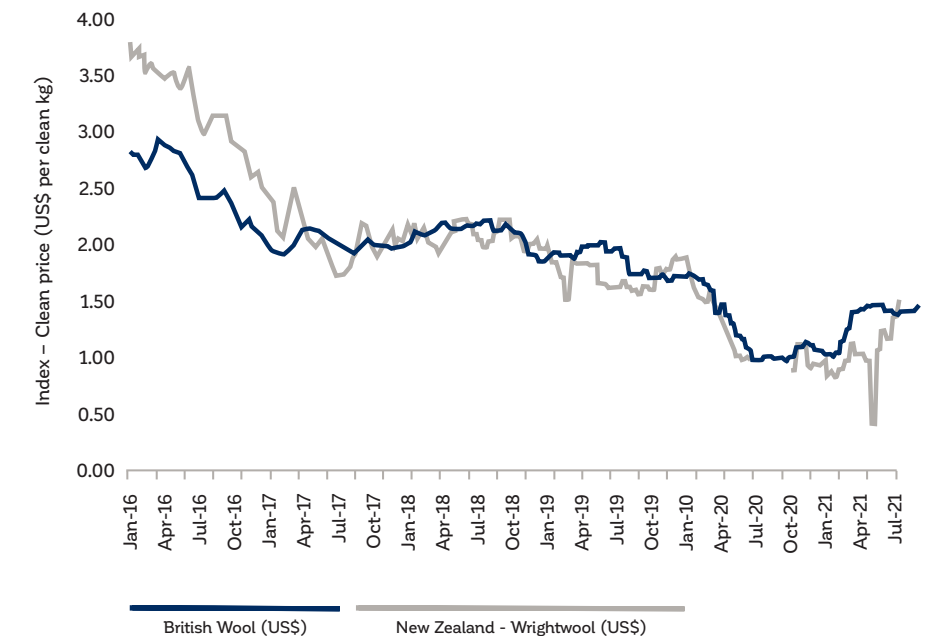
Prices fell dramatically in the Spring of 2020 due to Covid and stayed at low levels through the year but are now clearly recovering as we work to stimulate demand.



British Wool Index price v's New Zealand



Prices for crossbred wool fell across the globe as a result of the Covid pandemic. British Wool's prices remained in-line with or ahead of our NZ benchmark throughout.



Year in Summary (continued)



31,871

producers delivering their wool to British Wool in the 2020 season.



1,845

new entrants since 2018.



73

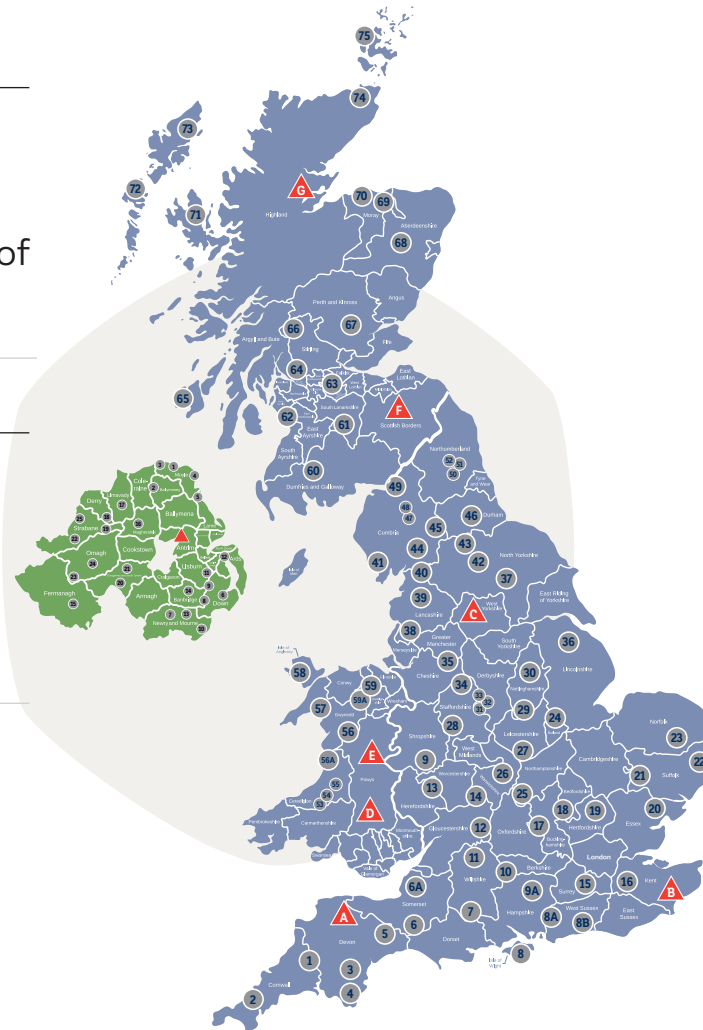
number of certified licensees selling British wool rich products.

90%

of producers are within one hour of a British Wool drop off point.

100

number of British Wool drop off points.



Chief Executive's Statement



“Moving into the new season there is certainly reason for optimism; we have cleared our stock overhang, demand has been robust for the past six months and prices are starting to steadily improve.”

Andrew Hogley CFA
Chief Executive Officer

Summary results of the Board for the 2020 clip are as follows:

	2020 clip £'000	p/kg	2019 clip £'000	p/kg
Weight taken in (kg'000)	23,425	n/a	26,724	n/a
Estimated realisable value of the clip	13,912	59.3	19,814	74.3
Total underlying operating costs (excluding pension)	(9,820)	(41.9)	(10,964)	(41.1)
Exceptional and transformation allowances/costs	(985)	(4.2)	(692)	(2.6)
Total operating costs	(10,805)	(46.1)	(11,656)	(43.7)
Pension contributions (cash paid)	(662)	(2.8)	(630)	(2.5)
Other income/costs	1,183	5.1	1,302	4.9
Paid and payable to producers	3,628	15.5	8,830	33.0

Market Conditions

The closure of large parts of the global economy as Covid restrictions took hold severely impacted demand for wool and resulted in significant over supply through much of 2020. Wool prices across the globe plummeted with the value of both UK and New Zealand halving. British Wool's average auction price fell from around £1 per kilo pre-Covid to just 50p per kilo.

When the first Covid lockdown was imposed the wool scouring plants in the UK closed and manufacturers stopped processing. Exports were also put on hold. We faced a situation where there was in effect no market for our product. As a result we closed the 2019 season with 11m kg of stock unsold.

End markets for British wool products also suffered. The closure of the hospitality sector (hotels, pubs, cruise ships, etc.) led to a significant reduction in the demand

for contract carpets, an area where a good proportion of our wool is used. Restrictions on travel had a similar impact on the demand for transport fabrics.

Whilst consumer demand has been more robust, especially on-line, the closure of non-essential retailers undoubtedly hampered sales across key product categories such as mattresses and residential carpets.

With the auction room closed to customers we moved our sales online and increased the frequency of wool auctions to every two weeks. This ensured that where markets were open British wool continued to be used, that our customers had access to our product at short notice, and that cash flow was maintained so that we could meet our obligations. Due to these actions we have managed to clear our stock overhang and will move into next season with a normal stock position.

Chief Executive's Statement (continued)

Producer Payments

Despite the challenging year we have had, British Wool still made a payment to producers for their 2020 clip, with total returns averaging 15.5p per kilo (please refer to the 2021 Producer Information and Wool Values booklet on our website for specific grade values). In Northern Ireland, we managed (in conjunction with the UFU and NSA) to secure an additional payment for Ulster wool producers from the Northern Ireland Executive to compensate them for the loss in the value of their wool due to Covid, this equated to £1.40 per ewe. Once again we will not be making any advanced payments this year, producers will receive the full value once the clip has been sold.

Restructure

In January 2021 we announced a major restructuring of the business designed to save in excess of £1m pa. We have reduced the number of grading depots we operate from 12 to 8, closing Irvine, Porthmadog, Stamford and Liskeard. These changes have not however affected the service levels we offer to producers. Where we have closed a grading depot we have replaced this with a new drop off point in the nearby area. We have also abolished onward haulage costs for any producer delivering their wool to one of our 100 drop off points across the UK. On an underlying basis the savings equate to a reduction in our handling costs of approximately 7p per kilo which will translate into additional value for our producers over the medium to long-term.



British Wool made a payment to producers for their 2020 clip, with total returns averaging

15.5p per kilo

Business Progress in 2020

Despite the challenging market conditions we are still making good progress on a number of key initiatives across the business. Through continuing to manage our auctions more effectively and adding new bidders to increase competitive tension, we continue to achieve a price premium for British wool relative to comparable New Zealand wool (see page 7).

We have been working very closely with both existing and new licensees on product development and have numerous exciting projects in the pipeline for the coming year and beyond. As we moved into the 2021 season we launched a trial of 100% traceable British wool, the premium this attracts over the auction price will be returned to the producers. This is crucial for us as a business as consumers and brands are increasingly asking about the provenance of the products they are purchasing and this starts at the farm gate. We are looking at driving significant volume through this scheme next year and believe this will grow as we work with our partners to bring more brands on-board.

A significant new 100% British wool carpet collection was launched in the autumn with a market leading supplier of flooring to the UK residential market (Headlam Group Plc). This will help drive demand for our carpet type wools which have been severely affected by the downturn in the contract carpet market. Other new products across a broad range of product categories both in the UK and overseas will also be launched over the coming 12 months, all of this is designed to drive demand and increase prices.



In January 2021 we announced a major restructuring of the business designed to save in excess of

£1million pa



Chief Executive's Statement (continued)

Our online strategy has also progressed during the year, with our consumer social media following now approaching 100,000. The next stage of this process was the launch of an e-commerce website in July 2021 where we are selling our licensee's products direct to the consumer. This is an exciting project and one that will allow us to drive consumer demand for British wool rich products.

Collaborative Marketing of Wool

If anything the principal of collaborative marketing is even more essential today than it was when British Wool was established in 1950. The wool clip needs to be sorted and amalgamated into commercial weights if it is to be used by manufacturers and achieve value for producers. The average clip size in the UK is around 500kg and this typically comprises 10 grades of wool. The UK is fortunate to still have two commercial scouring plants but these typically process wool in 50,000kg batches. Export to other markets such as China is in 24,000kg shipping containers where all lots must be core tested. Without our scale, grading and testing the clip would have lower value and the viability of UK wool processing would be jeopardised.

Outlook

Moving into the new season there is certainly reason for optimism; we have cleared our stock overhang, demand has been robust for the past six months and prices are starting to improve. From a pricing perspective, at its low point in September 2020 the average greasy wool auction price was 50ppk, however since then prices have been steadily rising and are now approaching 80ppk. As global vaccination programs continue to be rolled out and markets truly fully reopen we are confident this upward trend will continue as we move into the new season and beyond.

There are still more challenges that we are likely to face over the coming 12 months besides Covid, they include; US/China relations, falling sheep numbers, new zero tariff trade deals and increased competition at the farm gate. However, we are confident that the changes we have made to the business over the past 12 months will stand us in good stead to meet all of these various challenges head on and start to deliver real value to producers for their wool.

Andrew Hogley CFA
Chief Executive Officer



We launched our e-commerce website in July 2021 where we are selling our licensee's products direct to the consumer.



Prices have been steadily rising and are now approaching **80ppk**

Financial Review

As outlined in the Chairman and CEO's statements, the 2020 clip year to 30 April 2021 was one of the most difficult in British Wool's history. The closure of the wool markets in spring 2020, coupled with a reduction of c.50% in the average auction price for wool when markets reopened, put a huge strain on the cash resources of the business.

However, we took immediate action to preserve cash as much as possible and it was pleasing that at no point did our cash headroom fall below £6m. Looking ahead, as average auction prices are recovering we expect our cash headroom to increase to c.£12m by the end of the next financial year and this excludes any sales proceeds realised from the sale of the three properties closed during the year.

Due to our actions to reduce costs, as well as those forced upon us by the pandemic restrictions such as reduced travel costs or cancelled events/shows, we have reduced our group operating costs by c.£1.2m during the year. Whilst some costs will resume in the 2021 clip year as restrictions ease, the network reorganisation and the head office rationalisation programmes approved by the board in November 2020 and enacted during December 2020 to March 2021, which cost £0.5m in redundancies this year, will deliver in excess of £1m or c.7p/kg of recurring savings each year. As part of the reorganisation, grading at the Irvine, Porthmadog and Liskeard depots has ceased and the sites put up for sale. We have received offers for all the sites totalling £1.9m which are currently progressing with lawyers. Completion is expected in late summer/autumn 2021 and should realise a book profit of c.£0.4m.

The overall pension deficit for accounting purposes has reduced by £2.0m over the last year from £8.2m to £6.2m as a result of the £0.7m paid into the scheme in contributions, an increase in the number of members retiring or transferring out of the scheme, and an improvement in the financial markets towards the end of our financial year driven by the Covid-19 vaccine rollout. Actuarial valuations, on which the schedule of contributions are based, are required every three years and our next valuation is as at 30 April 2021. We have until 31 July 2022 to agree the next schedule of contributions and whilst it is too soon to know what the level of contributions might be under the new schedule, the £2.0m reduction in the deficit for accounting purposes is clearly a positive sign.

When looking at the financial year of the Board, the intake volume of the 2020 clip fell to 23.4m kilos (2019: 26.7m kilos) and its value fell to £13.9m (2019: £19.8m) as a result of the marketplace disruption caused by Covid-19. Whilst operating costs fell to £9.8m (2019: £11.0m), the reduction in intake volume means the operating cost per kilo has increased 1p to 42p (2019: 41p). In order to maintain the average producer payment per kilo for the 2020 clip in line with what the competition was offering, and in line with our 2019 balance payment, a £0.7m reserves fund adjustment has been made. The overall payment to producers is therefore 15.5p per kg for the 2020 clip.

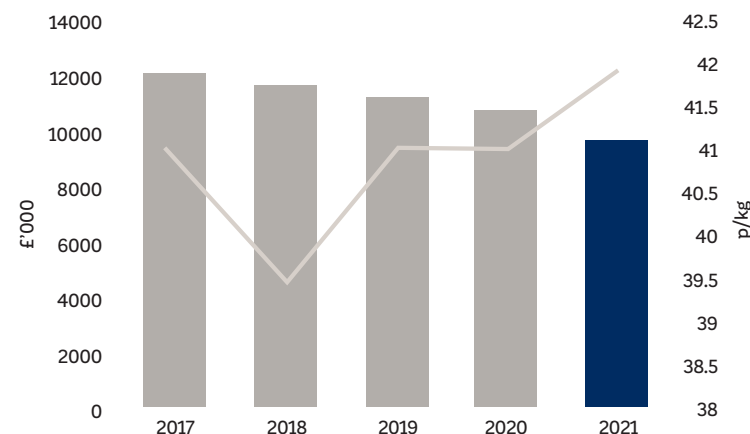
Andy Whelan ACA
Chief Financial Officer

Operational Costs



British Wool has consistently reduced its operating costs over recent years and took additional steps to restructure through 2021.

*Excludes pensions and exceptions.



Report of the Board

Report on the workings of the British Wool Marketing Scheme 1950 for the year 1 May 2020 to 30 April 2021 to be considered at the seventy first annual general meeting of registered producers on 10 November 2021.

The Summary Financial Statements are only a summary of information contained in the Group's full consolidated accounts and the report of the Board. It does not contain sufficient information to allow a full understanding of the results and state of affairs of the Group as would be provided by the full Report and Accounts. For further information the full Report and Accounts, which contain the consolidated annual accounts and the auditor's report on those accounts, should be consulted.

A copy of the full Report and Accounts will be provided, free of charge, to any registered producer upon receipt of a request addressed to the Secretary of the Board at the Board's Head Office.

The auditor's report on the full accounts for the Group for the year ended 30 April 2021 was unqualified.

1. Principal Activity

The principal activity of the Board is to ensure the organised marketing of wool produced in the United Kingdom (except the administrative county of Zetland). The Board receives wool from registered producers, grades and sells through public auction. Sale proceeds are used to meet payments to producers for the wool received and to meet the cost of operations. Any surplus funds available are due to producers and are carried forward for payment in subsequent years.

2. Accounts Presentation

In addition to the presentation of financial information concerning the performance and year-end position of the Board, the annexed summary Financial Statements also set out the consolidated results and financial position of the group of companies controlled by the Board. The Board has consolidated the results of its subsidiary companies. The subsidiary companies are Wool Growers (Great Britain) Limited and Wool Testing authority (Europe) Limited.

The summary Income and Expenditure Accounts are shown on page 19.

3. Committees

The board is ultimately responsible for the management of the Group, the Group's strategy and overseeing the Group's performance. The non-executive board members support the executive management team in delivering sustainable added value for producers and delegate day-to-day responsibility to executive management and certain matters to a number of board committees.

Audit & Risk Committee

The Audit & Risk Committee is responsible for financial and narrative reporting, internal controls and risk management including core compliance programmes and non-financial assurance, internal audit and external audit.

Remuneration Committee

The Remuneration Committee agrees the framework for the remuneration of the Chairman, board members and executive officers.

Report of the Board (continued)

Producer Marketing and Shearing Committee

The Producer Marketing & Shearing Committee has absorbed the Field Services Committee and now includes representatives from the producer marketing team and provides oversight of British Wool's producer facing activity which includes marketing, communications, shearing training and field services.

Pensions Committee

The board identified the defined benefit pension scheme deficit as a significant risk and from May 2017 established the Pensions Committee to provide oversight of the scheme.

Legal Structure and Board Effectiveness Committee/Governance Working Group ("GWG")

This Committee was established in January 2020 to consider the optimal legal status and structure of the business going forward and to review the effectiveness of the board. In January 2021, this committee was changed to become the Governance Working Group in which the legal structure and board effectiveness are being considered and reviewed. The GWG has also undertaken a periodic review of all governance documentation and updated them where necessary using relevant up to date industry standards.

Attendance

During the year the board members attended the following number of meetings of the board and its committees (the number of meetings the board members is eligible to attend is shown in brackets):

	Board	Audit	GWG	Remuneration	Producer Comms
J Robertson (Chairman)	8(8)	3(3)	6(6)	2(2)	n/a
R Cottrill (retired 31 March 2021)	7(7)	1(2)	n/a	1(1)	n/a
B Kelly (Vice Chairman)	8(8)	3(3)	6(6)	1(1)	n/a
H Evans	8(8)	n/a	n/a	n/a	2(2)
D Fraser	8(8)	n/a	n/a	n/a	2(2)
A Marshall	8(8)	n/a	n/a	n/a	2(2)
C Stephenson	8(8)	3(3)	n/a	n/a	n/a
J Davies	8(8)	n/a	n/a	1(1)	2(2)
R Blanden	8(8)	n/a	6(6)	n/a	2(2)
K Drury (appointed 1 April 2021)	1(1)	n/a	n/a	n/a	1(1)
J Lea	8(8)	3(3)	5(6)	n/a	n/a
R Davies	8(8)	2(3)	n/a	1(2)	n/a
M Ilincic* (resigned 29 July 2021)	8(8)	n/a	n/a	n/a	1(2)
J Farren (resigned 4 November 2020)	5(5)	1(1)	n/a	n/a	n/a
A Whelan	8(8)	3(3)	6(6)	n/a	n/a
A Hogley (CEO from 5 November 2020)	3(3)	0(1)	6(6)	n/a	n/a

*Consultant to the board, not appointed under the British Wool Marketing Scheme (Approval) Order, 1950.

Report of the Board (continued)

4. Board Members' and Executive Officers' Remuneration

The total board members and consultant remuneration for the year ending 30 April 2021 was voted by producers, at the Annual General Meeting of 18 November 2020. The emoluments of the board members and consultant who served at any time during the year were £133,583 (2020: £134,491).

Regional board members and consultant each receive emoluments of £9,218 pa (gross) pro rata to their period of office each year; the Chairman receives emoluments of £30,635 pa (gross) pro rata to their term of office each year and the Vice Chairman receives emoluments of £10,908 pa (gross) pro rata to their period of office each year.

The gross emoluments of the Chairman, Vice Chairman and board members and consultant for the year were as follows:-

	2021 £	2020 £
Chairman (1 May 2020 to 30 April 2021)	30,635	30,635
Vice Chairman (1 May 2020 to 31 March 2021)	9,999	10,908
Other board members and consultant who served a full year each received	9,218	9,218

Remuneration of the executive officers for the year was as follows:

	Basic Salary £'000	Benefits £'000	Pensions Contributions £'000	2020 Total £'000	2019 Total £'000
J Farren*	65	9	6	80	158
A Hogley**	50	5	3	58	-
A Whelan	97	0	6	103	5

In addition to the above emoluments, £71,247 was paid to J Farren as compensation for loss of office.

* Resigned 4 November 2020.

** Appointed 5 November 2020.

5. Statement of Compliance

As a Statutory Marketing Board the organisation is not required to comply with the Combined Code on Corporate Governance ("the Code"). The board recognises the importance of, and is committed to, ensuring that effective corporate governance procedures are in place. The board agrees with the principles of the Code and continues to work towards obtaining substantial compliance with the Code.

The Board fails to comply with the Code in one instance:

Under the terms of the British Wool Marketing Scheme 1950, Regional board members, including the Chairman, are elected and, as such, are deemed not to be independent according to the principles of the Code.

The Group continues to employ an Internal Audit function whose effectiveness is reviewed annually by the Audit Committee.

The Group has complied with the requirements of FRS102 in respect of 'Related Party Transactions' and full disclosure is made in note 20 of the full Report and Accounts.

Report of the Board (continued)

Respective Responsibilities of Board Members and Auditor

The board members are responsible for preparing the Summary Financial Statement and the other information contained within the British Wool Marketing Board Report and Accounts 2021.

Under the terms of our engagement letter dated 26 February 2019 our responsibility is to report to the board on the consistency of the Summary Financial Statement within the British Wool Marketing Board Report and Accounts 2021 with the Board's full annual accounts.

We also read the other information contained in the Report and Accounts 2021 of the Board and considered the implication for our report if we become aware of any apparent misstatements or material inconsistencies with the Summary Financial Statement.

Independent Auditor's Statement to the Board of the British Wool Marketing Board

We have examined the Summary Financial Statements which comprise the Summary Group and Board Income and Expenditure Accounts, the Summary Group and Board Balance Sheets and Group and Board Statement of Other Comprehensive Income as set out in the full British Wool Marketing Board report and Accounts 2021.

This statement is made solely to the board, as a body, in accordance with the terms of our engagement. Our work has been undertaken so that we might state to the board those matters we have been engaged to state to it 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 board, as a body, for our work, for this statement, or for the opinions we have formed.

In our opinion the Summary Financial Statement is consistent with the full annual accounts of the British Wool Marketing Board for the year ended 30 April 2021.



Keith Miller (Senior Statutory Auditor)

for and on behalf of Moore (NW) LLP,
Chartered Accountants
Statutory Auditors
110 – 114 Duke Street
Liverpool
L1 5AG

31 August 2021

Summary Financial Statements

Summary Income and Expenditure Accounts for the year ended 30 April 2021

	Group 2020 clip	Group 2019 clip	Board 2020 clip	Average p/kg	Board 2019 clip	Average p/kg	
	£'000	£'000	£'000		£'000		
Sales	11,971	15,207	11,312	58.1	14,249	89.3	Prices achieved impacted by COVID.
Stock of 2020	2,600	5,565	2,600	65.6	5,565	51.9	Prices recovering at year end.
Estimated value of 2020 clip	14,571	20,772	13,912	59.3	19,814	74.3	
Advance payments to producers for wool	(253)	(4,163)	(253)	(1.1)	(4,163)	(15.6)	
Balance payable to producers for wool	(3,085)	(4,235)	(3,085)	(13.2)	(4,235)	(15.8)	
Volume premium	(290)	(432)	(290)	(1.2)	(432)	(1.6)	
Paid and payable to producers	(3,628)	(8,830)	(3,628)	(15.5)	(8,830)	(33.0)	Return to producers down due to COVID.
Retained to cover expenses	10,943	11,942	10,284		10,984		
Operating expenses	(10,777)	(12,063)	(9,820)		(10,964)		Operating expenses reduced by £1.2m.
Transformation adjustments	(485)	(51)	(985)		(692)		
Total operating expenses	(11,262)	(12,114)	(10,805)		(11,656)		£0.5m inter-company rent and £0.5m restructuring costs to deliver c.£1.0m annual operating cost savings.
Retained after operating expenses	(319)	(172)	(521)		(672)		
Pension – other finance income/(expense)	(307)	22	(307)		22		Low prior year due to £0.4m P&L gain due to new member retirement options introduced.
Deficit on realisation of the 2019 clip	(73)	(49)	(73)		(49)		
Trading deficit	(699)	(199)	(901)		(699)		£73k on c.11m kg of 2019 clip. 2020 clip now sold and year end valuation achieved.
Profit/(Loss) on sale of assets	–	5	–		5		
Interest receivable	4	41	4		39		
Dividends received	–	–	199		600		
Share of loss of associated undertakings	(13)	(36)	(13)		(36)		
Net deficit before taxation	(708)	(189)	(711)		(91)		
Taxation on deficit	195	(159)	201		(137)		
Deficit for the year	(513)	(348)	(510)		(228)		
Transfer from reserve fund	700	–	700		–		Minister approved £0.7m reserve fund use to support wool payments.
Net surplus/(deficit) for the year after transfer reserve fund	187	(348)	190		(228)		

Summary Financial Statements

Statement of Other Comprehensive Income (additional pension charges) for the year ended 30 April 2021

	Group		Board	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Actuarial gains/(losses) immediately recognised	1,659	(1,191)	1,659	(1,191)
Deferred tax	(566)	227	(566)	227
Total other comprehensive income/(loss) for the year net of tax	1,093	(964)	1,093	(964)
Loss for the year	187	(348)	190	(228)
Total comprehensive income/(loss) for the year	1,280	(1,312)	1,283	(1,192)

Summary Financial Statements

Summary Balance Sheets as at 30 April 2021

	Note	*Group		Board		
		2021	2020	2021	2020	
		£'000	£'000	£'000	£'000	
Fixed assets	1	11,583	12,216	15,606	16,075	No major movements other than depreciation.
Stocks		3,096	6,155	2,944	5,874	Stock overhang back at normal levels to get through early season auctions.
Debtors		4,251	2,269	4,608	2,829	
Reserve Account – deposits		5,069	5,662	5,069	5,662	
Cash at bank and at hand		1,180	1,091	3	44	
Total Current assets		13,596	15,177	12,624	14,409	
Creditors	2	(4,451)	(5,231)	(8,920)	(9,743)	Increase due to trade debtors as markets largely closed at last year end.
Net current assets		9,145	9,946	3,704	4,666	
Net assets before pension liability		20,728	22,162	19,310	20,741	Reserve account less than £9.4m reserve fund due to Covid. Minister aware and approved reserve use this year.
Pension scheme liability	4	(6,162)	(8,176)	(6,162)	(8,176)	
Net assets including pension liability		14,566	13,986	13,148	12,565	Pension deficit reduced by £2.0m due to annual cash contributions, leavers transferring pensions out, and recovery in financial markets.
Reserves	3	14,566	13,986	13,148	12,565	

Note: Creditors have been restated to reflect the strict legal position where liabilities are contractually repayable on demand.

*Group includes:

Wool Growers (Great Britain) Limited

The principal activity is the handling of fleece wool and supplying blended wool products to third parties on behalf of the parent company, British Wool Marketing Board.

Wool Testing Authority (Europe) Limited

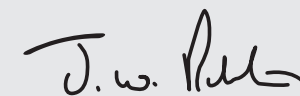
The company provides wool sampling and testing services, to customers engaged in the wool textile industry, using accreditation gained from the United Kingdom Accreditation Service and the International Wool Textile Organisation.

Associated undertakings:

Ulster Wool Group Limited

The company is a 50% owned associated undertaking, incorporated in Northern Ireland, and provides wool handling services.

Accounts approved by the board on 29th July 2021 and signed on its behalf by:



Jim Robertson
Chairman



Andrew Hogley
Chief Executive Officer

Summary Financial Statements

Notes to the Summary Financial Statement

	*Group		Board	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
1. Fixed assets				
Property	10,456	10,712	3,672	3,781
Plant and equipment	918	1,250	885	1,222
Motor vehicles	23	55	19	29
	11,397	12,017	4,576	5,032
Investments	186	199	11,030	11,043
	11,583	12,216	15,606	16,075
2. Creditors – Amounts due in less than one year				
Amounts due to producers	2,345	3,758	2,345	3,758
Others	2,106	1,473	6,575	5,985
	4,451	5,231	8,920	9,743
3. Reserves				
Reserve fund	9,444	10,140	9,444	10,140
Board's fund	10,205	10,377	(38)	131
	19,649	20,517	9,406	10,271
Pension liability	(6,162)	(8,176)	(6,162)	(8,176)
Related deferred tax asset	1,079	1,645	1,079	1,645
Revaluation Reserve	–	–	8,825	8,825
	14,566	13,986	13,148	12,565
4. Pension Reserve				
At 1st May 2020	(8,176)	(7,637)	(8,176)	(7,637)
Movement in actuarial losses during the year	1,659	(1,191)	1,659	(1,191)
Contributions paid	662	630	662	630
Amounts recognised in the Income & Expenditure account	(307)	22	(307)	22
At 30 April 2021	(6,162)	(8,176)	(6,162)	(8,176)

Notice of Annual General Meeting

Notice is hereby given that the seventy first annual general meeting of producers registered under the British Wool Marketing Scheme 1950 will be held virtually at:

1.00pm on Wednesday 10th November 2021.

The Chairman of the meeting will be the Chairman of the board.

The business to be transacted will be:

- To approve the minutes of the last AGM held on 18 November 2020.
- To consider the statement of accounts, together with the auditor's report thereon, and the report of the Board on the working of the British Wool Marketing Scheme 1950 for the past year 1 May 2020 to 30 April 2021.
- To determine the remuneration of the board*.
- To reappoint auditors.

By order of the board.

Andy Whelan ACA (Secretary)

Wool House
Sidings Close
Canal Road
Bradford
BD2 1AZ

20 September 2021

Note:

*The recommendation is for the Remuneration of the board to remain unchanged.

Any registered producer will be entitled to enquire on any matters arising out of the report and accounts through submission of an enquiry prior to the meeting, no questions will be taken from the meeting on the day. Such enquiries should be sent in writing to Kam Dlay-Lewis at Wool House or by emailing mail@britishwool.org.uk to be received by 7 November 2021. No business other than that given in this notice will be transacted at the meeting (British Wool Marketing Scheme 1950, Paragraph 86 (2)).

britishwool.org.uk

The website offers comprehensive up to date information about all Wool Board activities and operations.

campaignforwool.org

The Campaign website offers information on the global wool campaign and the opportunity for individuals and businesses to join the Campaign.



British Wool

Wool House
Sidings Close
Canal Road
Bradford
BD2 1AZ

Tel: 01274 688666

Fax: 01274 652233

Email: mail@britishwool.org.uk

