



# British Wool Report and Accounts

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2024



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## British Wool's Purpose

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

British Wool's vision is to provide the best possible return to members through the collective marketing of the UK wool clip.

	For UK sheep farmers to recognise the value we add by collecting, grading, and promoting their wool.		For our team to provide efficient high-quality service and excellent shearing training to members.
	For the end brands we work with to specify British wool in their products and value our support for innovation.		For consumers to choose to buy products made from British wool.

### Key principles:

British Wool is a member led organisation.

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

British Wool accepts wool from all UK sheep farmers regardless of type, location, quantity.

British Wool markets the wool collectively to maximise the value of wool for all sheep farmers in the UK.

## Chairman's Welcome

It was yet another challenging year for all connected to the sheep industry. The country was so dry last spring, then it started raining and forgot to stop, making shearing and harvesting extremely difficult for us all. The sheep trade was where it should be with store lambs and draft ewes selling at values we haven't seen before, and with prime lambs and hoggs rising week on week it bodes well for the sheep trade this Autumn. Much needed as our costs continue to rise for all our inputs.



This spring was no better with the constant wind and rain making lambing particularly difficult with many lambs struggling to get on their feet. The early lambers also had Schmallenberg to contend with making life even harder.

It has been another busy year at British Wool. One of my personal highlights has been the launch of our ambassador programme which saw two representatives per nation appointed to support the organisation and the wool it markets through advocacy and sharing best practice. We have a huge amount of talent in the UK wool industry with world champion shearers, world champion wool handlers and world record holders. Our ambassadors are well respected in the industry and will work to motivate the next generation whilst flying the flag for British Wool in their regions.

At board level, we saw Brendan Kelly (Northern Ireland) and Carl Stephenson (English Northern) re-elected as regional board members for another three-year term following elections in their regions. It is great to see well fought elections in these regions with a number of candidates standing proving that our members care about their organisation and want to represent wool producers in their area. Along with Kate Drury (English Central), who was returned unopposed, it is great to see their commitment to British Wool retained. The board was also strengthened with the addition of a marketing board member Jo Taylor who brings a huge amount of experience and expertise to the boardroom.

Providing members with a high level of service remains a commitment for all at British Wool and we are dedicated to providing members with a convenient and cost-effective service.

This commitment was shown at the official opening of the British Wool Borders grading depot in Selkirk in August 2023. The new £2.3million depot provides better access for members in Scotland and Northern England and has already brought efficiencies in the grading and processing of wool. The new site replaced our base in Galashiels which was split across two sites.

Improvements have also been made in northeast Wales where three new collection sites have replaced the depot in Ruthin. Farmers in the region now have the convenience of three sites to drop off their wool, an improvement to our service for members and network efficiency.

We are continually looking for new ways to improve our service. The introduction of the new QR code system at our drop-off sites for the 2024 season ensures that we know when members have dropped off their wool and enables British Wool to make prompt payments. With over 100 drop-off sites across the UK we aim to provide all our members across the UK with a convenient and reliable service when they deliver in their wool.

As we head into another year, I am excited by the progress that British Wool is making as we endeavour to drive demand and maximise the value of British wool on behalf of our members. These endeavours are demonstrated in no better way than our recent investment in NexGen Tree Shelters as explained in the Financial Review. The strategic investment in a business further down the supply chain is an exciting initiative for British Wool and will hopefully drive demand for undervalued wool and generate value for members.

A big thank you to all at British Wool for their dedication and support in the past year and to the Board for their continued enthusiasm and commitment to making British Wool fit for the future.

Finally, a huge thanks to all regional members and indeed all our members who have delivered wool to our depots. Thank you for your continued support and loyalty.

**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)
B Kelly	Northern Ireland Region (Vice Chairman)
H Evans	Welsh Northern Region
J Davies	Welsh Southern Region
C Stephenson	English Northern Region
K Drury	English Central Region
A Derryman	English South Western Region
P Chantler	English Southern Region
E Mackintosh	Scottish Northern Region

## Board Appointed Member

J Taylor	(Formally appointed 16 May 2024)
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## Independent Members

R Davies
J Lea FCMA

## Executive Officers

A Hogley CFA	(Chief Executive Officer)
A Whelan ACA	(Chief Financial Officer, Board Secretary)

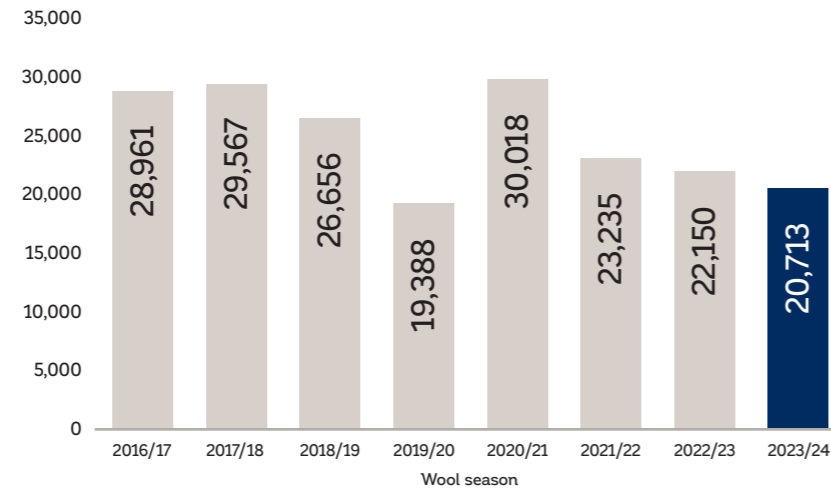
Biographies of board members are shown on the British Wool website ([www.britishwool.org.uk/the-board](http://www.britishwool.org.uk/the-board)).



# Year in Summary

## Sales of Greasy Wool / kgs / 2016 – 2024

Sales volumes indicate reduced wool intake levels.



## British Wool Sales / December 2019 – September 2024

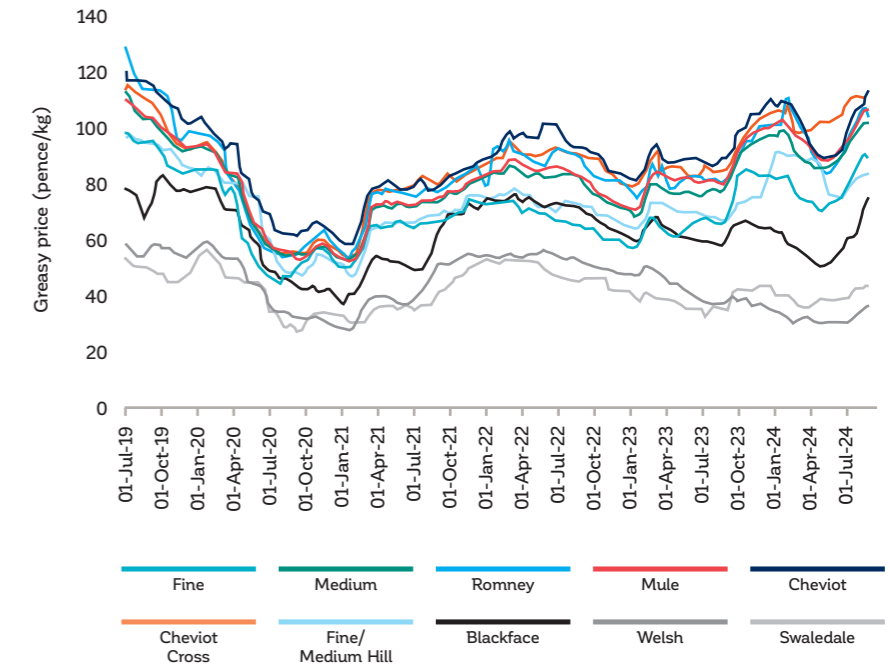
Sales are being managed to match our offer to market demand. Demand weakened in February and March 2024 and wool was taken back into stock.



# Year in Summary (continued)

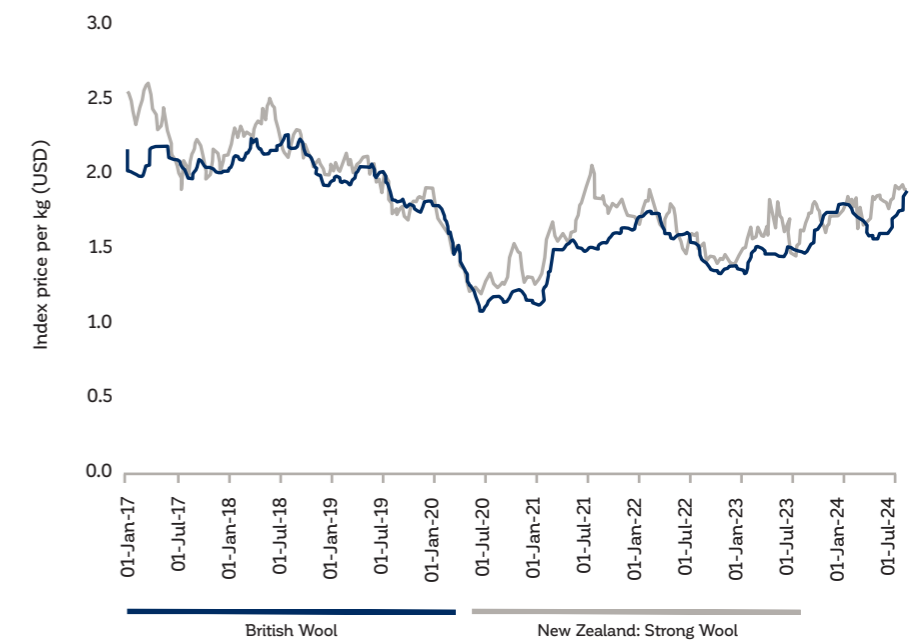
## Auction Prices by Type / July 2019 – July 2024

Prices have been gradually recovering. The market had a weak spell in February and March 2024 but on a nominal basis is now at levels not seen since October 2019.



## British Wool and New Zealand Strong Wool Prices (US\$)

British wool continues to trade in line with equivalent types of New Zealand Wool.



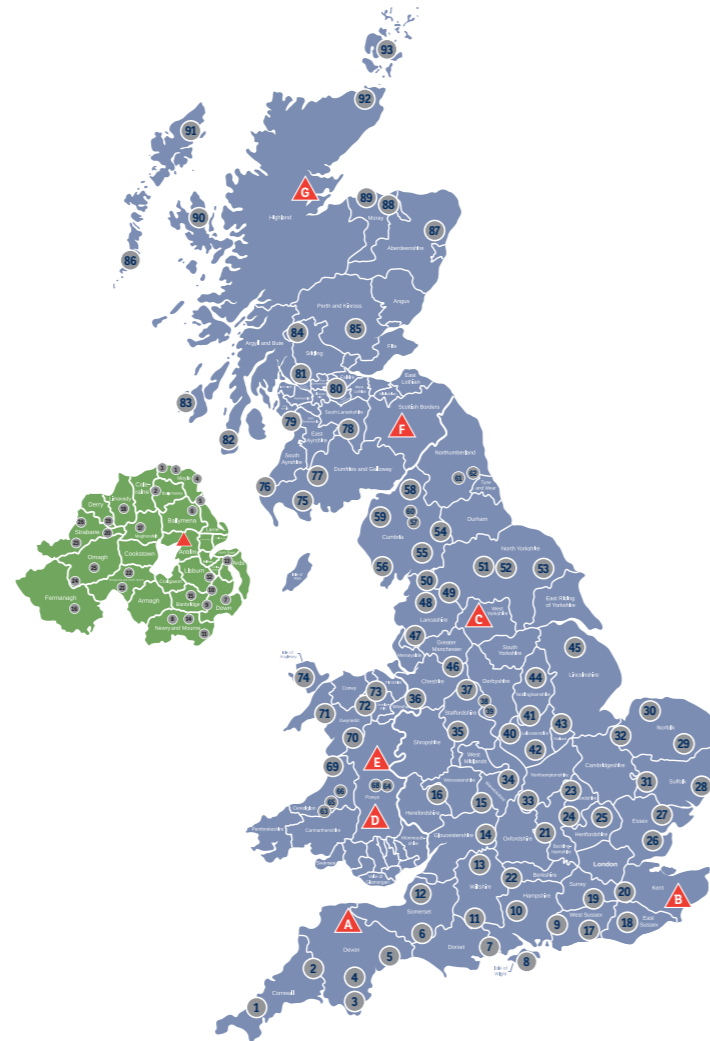
## Year in Summary (continued)

# 90%

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

# 128

number of British Wool drop off points.



# 27,253

members delivered their wool to British Wool in the 2023 season.



# 2,524

new and returning members in the 2023 clip year.



# 1.787 million

kilograms of wool received from the new and returning members.

## Chief Executive's Statement

“Wool returns for British Wool’s members were broadly stable for the 2023 clip year. Sale prices improved slightly through the year however lower intake led to an increase in British Wool’s operating cost per kilo. We have made significant progress growing the licensee base and generating new revenue streams, but more work needs to be done for our members to receive sufficient value for the wool they produce.”



**Andrew Hogley CFA**  
Chief Executive Officer

Summary results of the Board for the 2023 clip are as follows:

	2023 clip £'000	p/kg	2022 clip £'000	p/kg
Weight taken in (kg'000)	<b>20,732</b>	<b>n/a</b>	<b>23,275</b>	<b>n/a</b>
Estimated realisable value of the clip	16,756	80.8	17,078	73.4
Total underlying operating costs (excluding pension)	(11,167)	(53.9)	(11,152)	(47.9)
Exceptional and transformation allowances/costs	(500)	(2.4)	(500)	(2.1)
Total operating costs	(11,667)	(56.3)	(11,652)	(50.1)
Pension contributions (cash paid)	(550)	(2.7)	(550)	(2.4)
Other income/costs	654	3.3	1,215	5.2
<b>Paid and payable to members</b>	<b>5,193</b>	<b>25.1</b>	<b>6,091</b>	<b>26.2</b>

### Overview

British Wool continues to focus on its strategic goals as it works to deliver on its mission of driving sustainable demand in order to maximise returns for members.

- Our primary goal is to maximise the value of British wool. Work to strengthen British Wool’s brand identity is bearing fruit and drove significant growth in the number of licensees over the past year. During the year we completed the rollout of traceability systems across the depot network enabling the business to generate significant additional revenue over and above the auction price. Our work to nurture new buyers is also having an impact in the auctions which are now significantly more competitive than they were five years ago.

- Member engagement is vital to ensuring that British Wool handles sufficient wool to maintain critical scale. Communicating our successes to members whilst also working to improve service across the collection network continues to be prioritised. Trials of pre-printed sheet labels through the year were appreciated by members and for the coming season we have deployed a system to allow members using collection centres to notify us that they have dropped off their wool and receive payment.
- Given the challenges in the core business British Wool is actively pursuing new revenue opportunities. During the 2023 clip year we handled the Isle of Man wool for the first time. We have plans in place to build on this with new revenue streams set to contribute to member returns in the 2024/2025 clip year.

## Chief Executive's Statement (continued)



The deployment of traceability systems in Muckamore, Evanton, Ashford and Brecon **led to improved labour efficiency in the year**

### Overview (continued)

- Operationally efficiency remains a priority. The deployment of traceability systems in Muckamore, Evanton, Ashford and Brecon led to improved labour efficiency in the year. At the start of the year, we completed the relocation of our depot in the Scottish Borders from Galashiels to Selkirk. The new site is working well and provides a better set up for members, customers and our team. In December British Wool acquired a development site in Launceston, Cornwall which should enable the relocation of our intermediate depot to new premises for the 2025 season.
- The changes to the 1950 Order which were proposed to members in May 2023 have now been enacted. This allowed the Board to appoint Jo Taylor as an independent board member. Jo brings a wealth of marketing experience to the business.

### Commodity markets and falling wool volumes are a challenge

The 2023 clip year provided a stark illustration of what lies within British Wool's control and just as importantly what doesn't. British Wool controls its operations and strives to influence the market, but it does not control the global commodity price of wool, nor does it control the volume of wool produced in the UK.



British Wool's average auction price for the year was

**81.9p per kilo versus 73.5p per kilo in the previous season**

- Global wool prices saw a slight improvement over the course of the 2023 selling season but remain well below the levels that farmers need to generate a return from wool. British Wool's average auction price for the year was 81.9p per kilo versus 73.5p per kilo in the previous season. To cover the costs of shearing for British Wool's members British Wool would need to achieve an average selling price of £1.20 per kilo. On an inflation adjusted basis this is where our members' wool was selling pre-Covid.
- The volume of wool available in the UK fell significantly in the 2023 clip year. The hot dry summer in 2022 resulted in poor wool growth and significantly lower fleece weights. On average fleeces were around 9% lighter year on year and the typical clip was 10% lighter than in the previous season. Overall, the volume of wool British Wool handled through its network fell from 23.2m kg to 20.7m kg, a drop of 11%. The 2.5m kg reduction in wool volume equated to a revenue reduction of £2.1m. Given that British Wool has a largely fixed cost base this impacted directly upon member returns. If volumes had been maintained returns to members would have been around 7p per kilo higher. For core grades this would be around 20p per fleece.

Given these dynamics the core of British Wool's strategic focus remains on driving demand to achieve better sale prices and engaging with members to maximise the volume of wool we handle through our network.

## Chief Executive's Statement (continued)

### Driving demand for British Wool

Driving sustainable demand for British wool is at the core of British Wool's mission. We do this through engaging with processors, manufacturers, and end brands and by building brand awareness with consumers.

To deliver better returns for British Wool's members there are two fundamental challenges we need to address:

- The first is that oil based, synthetic fibres dominate the global textile market.
- The second is that many manufacturers do not specify where the wool they use in their products comes from and that the culture of buying yarn at the cheapest possible price has led to commoditisation of wool markets.

Looking back over the past 75 years the growth in production of synthetic fibres has been the most significant factor behind the reduction in the value of wool. Synthetic fibres now represent 70% of the global fibre market, cotton is around 28%, with wool less than 1%.

The long-term detrimental impact of synthetic fibres upon the environment has become increasingly evident in recent years but regulation does not always recognise this. Proposed Product Environmental Footprint (PEF) legislation will position natural fibres as being more damaging than synthetics. This is a concern as we look forward.

British Wool cannot address the challenge from synthetics alone. This is why we partner with colleagues in New Zealand, Australia and South Africa through initiatives such as the Campaign for Wool and the International Wool Textile Organisation to collaboratively make the case for wool.

The UK is a relatively small nation in terms of wool production representing just 2% of the global wool supply. Given many buyers do not specify the origin of their wool this has left British Wool with limited pricing power for its product. We must therefore move British wool away from the commodity market and work to persuade brands to specify British wool. We are seeing success in this regard. More than half our wool is now sold to brands that specify British wool in their products. This is supporting our sale price where we compare favourably to competing types and international buyers are increasingly starting to tell us that British Wool is expensive relative to other wools.

Provenance and traceability are becoming more important for brands and manufacturers. Increasingly we are finding that end users are asking where the wool they are using in their products comes from. This trend is helping British Wool to attract new licensees of scale as we educate buyers on the benefits of British wool. We continue to develop and promote British Wool's brand identity to differentiate the wool we handle on behalf of our members from the global commodity wool market.

British Wool has a strong story to tell on behalf of our members; the UK leads the world on animal welfare standards.

British farming has strong environmental sustainability standards, British Wool provides quality assurance through our grading system, British Wool can offer a fully traceable product and British Wool has high social responsibility standards. This message is resonating with brands. British Wool now has 158 licensees that produce product ranges from British wool. This represents strong year-on-year growth versus the 100 licensees a year ago. Traceability revenues are also growing with more than 700 tonnes of wool sold with a traceability premium over the last 12 months.

A key part of our work to drive demand is focussed on raising consumer awareness for wool and the brands that use British wool. To this end we ran a number of PR campaigns through the year. We need the consumer to buy wool and for them to ask for British wool.

### Expanding the business

Given the 7% decline in sheep numbers over the past six years British Wool is actively looking for ways to improve the utilisation of its depot network to ensure that operations remain cost effective.

During the 2023 clip year British Wool took its first step towards this by handling the wool from the Isle of Man through our Brecon depot. Volumes were relatively modest at just less than 100 tonnes, but this model provides a blueprint to improve utilisation and member returns by offering grading services and ancillary services to third parties.

It is essential that British Wool's infrastructure and people are fully utilised if the costs of operations are to be controlled. The additional income generated will feed through directly to member returns.

# Chief Executive's Statement (continued)

## Member returns

The first few sales of the 2023 clip year saw limited demand, markets strengthened through the Autumn, and we saw sustained demand with high clearances until the new year. Demand weakened in the spring but overall, we achieved a better price for our members' wool than in the prior season. The average auction price for the year was 82 pence per kilo versus 74p for the 2022 season (79p for the 2021 season and 60p for the 2020 season).

Overall, British Wool was able to return £5.2m to our members for the 2023 clip with the average payment of 25p per kilo. If British Wool had received the same volume of wool as in the previous season returns would have been around 7p per kilo higher. Returns are very sensitive to the volume of wool handled and lighter fleeces had a significant impact upon the business. I know that this is not enough and that British Wool has more work to do to deliver better returns to our members. Speciality types of British Wool are attracting a premium and demonstrate that it is possible to sell British wool at a value above the commodity price if end brands value the provenance of the product. We must continue to focus on delivering this.

British Wool continues to support the industry by providing structured shearing training and advocating for the sheep industry alongside our peers in the farming unions and the NSA. As a member led organisation, we recognise the need to work with other stakeholders to advocate for our members' interests.



British Wool was able to return  
**£5.2m to our members for the 2023 clip**

## Outlook

British Wool must continue to focus on the elements of our business that we can control, exert influence where we can make a difference for members, and ensure the organisation has the resilience to face the challenges which come from factors that are outside of our control.

I remain optimistic about the progress that British Wool is making, we have seen a significant number of new licensees over the last 12 months with more in the pipeline. We are striving to improve member service with clearer, simpler communication and initiatives such as QR codes at depots to register their deliveries. The move to a new site in the Scottish borders coupled with the deployment of Wool Trace also helped drive further efficiency gains.

Collective marketing of British wool through a farmer owned business is essential to maintaining market access for all UK sheep farmers and maximising the value of their wool. By working together, our members benefit from the efficient way that British Wool collects, grades and tests wool. We add value by delivering a consistent product to market at a scale that allows for economic processing and drive demand by promoting our members' product to trade customers and consumers.

I would like to take this opportunity to thank the team at British Wool for all their hard work and commitment over the past year, and our Board and regional representatives for their constructive feedback and strategic insight.



By working together our members benefit  
**from the efficient way that British Wool collects, grades and tests wool**





## Driving Demand for British wool

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# 158

**Licensees** on board  
– up from 100 since 2022.



# 20

**new product ranges** launched  
throughout the year.



## Driving Demand for British wool

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# 35%

**increase in visitor traffic** via  
the British Wool Shop website.



# 1,302

**products were ordered**  
through the British Wool Shop.



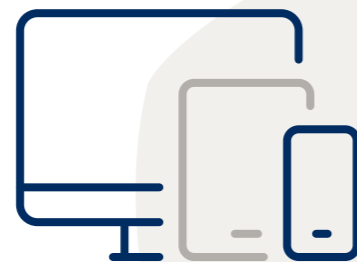
# 52%

**of our clip** is  
under licence.



# 135,431

people are currently **following**  
**our social media channels.**



# 1,700,000

**kilograms of traceable wool**  
have been sold since launch.



# 541

**pieces of consumer and radio**  
**coverage** through our PR activity.



# Financial Review

As outlined in the CEO's statements, intake volume of the 2023 clip reduced by 10.9% to 20.7m kilos (2022 clip: 23.2m kilos) driven by lower fleece weights. Despite auction demand and prices weakening towards the end of the financial year, the overall average clip value did increase by 7.4p per kilo to 80.8p per kilo for the 2023 clip (2022 clip: 73.4p per kilo). The total 2023 clip was therefore valued at £16.8m (2022 clip: £17.1m).

Operating costs during the financial year remained under significant upward pressure, largely driven by factors outside of our control. The underlying cost of packaging, haulage, and utilities all increased due to the cost of oil, and business rates saw significant increases due to new Valuation Office Agency valuations.

The business is proud to be a real living wage payer which, together with the national minimum wage, increased by c.10%. However, despite these significant increases, labour spend fell by £0.1m as decisive action was taken to reduce labour spend following the reduced intake. Other savings were also achieved due to the reduced intake and so overall, operating expenses remained at £11.2m (2023: £11.2m). Due to the flat operating expenses but reduced intake, operating expenses per kilo increased 6p to 54p (2023: 48p per kilo).

During the year, the relocation of the Galashiels depot to Selkirk was completed. The Galashiels site was split over two locations and the poor layout and condition of the buildings presented operational challenges which hampered efficiency. The new site in Selkirk cost £0.9m and £1.2m was spent expanding and improving buildings and on new machinery. We were pleased to receive support and a grant of £250k from South of Scotland Enterprise towards the development costs. The vacant properties in Galashiels were sold for £0.9m and a £0.7m profit on

sale recognised in the accounts last year and boosted member returns last year. There have been no property sales this year. A new site in Launceston, Cornwall, has been acquired for £0.5m to replace a site currently rented. The Launceston site is an important Intermediate Depot and owning our own site is a good use of British Wool's cash reserves as it saves rent each year and provides the business with a good quality asset for the future.

The pensions scheme deficit has increased from £0.3m to £1.9m on an accounting basis. This is mainly due to the movement in UK bonds on which the liabilities are based compared to gilts on which the assets are based. For actuarial purposes, the scheme liabilities are based on gilts so the actuarial deficit should be smaller. An actuarial valuation is due as at 30 April 2024 on which the Board's pensions contributions are based and we expect this to be completed in spring 2025. Since the year end, new pensioner options have been introduced which should help reduce the scheme's liabilities.

Due to the reduced intake increasing operating costs per kilo and no property profit this year, the overall average payment for members is down 1.1p at 25.1p (2022 clip: 26.2p) per kilo. Despite the reduced intake and sales and the investment in the assets of the business, group year end cash balances remain healthy at £7.5m (2023: £7.9m).



Investing in the future

**Strategic investment in a downstream wool business**



Sales and the investment in the assets of the business, group year end

**cash balances remain healthy at £7.5m**





## Financial Review (continued)

Changes to British Wool's governing document, the 1950 Order, were formally enacted on 16 May 2024 and allow for up to three additional board members to be appointed by the Board as they deem necessary, to allow for electronic meetings, polls, and elections, and tidy up certain out-of-date wording. Following Defra's 2022 review into the British Wool scheme, the old Financial Arrangement was left to expire on 30 April 2023 and is due to be replaced by a Framework Agreement between Defra and the Devolved Governments and British Wool. Framework Agreements are more modern and widely used documents for arm's length government bodies. The proposed Framework Agreement contains no financial restrictions or provision and is merely formalising various governance procedures and British Wool's relationship with Government.

In June 2024, British Wool secured an 8.3% investment in NexGen Tree Shelters Limited ("NexGen") for £0.6m. NexGen has developed innovative biodegradable hedge and tree shelters made from wool. British Wool's

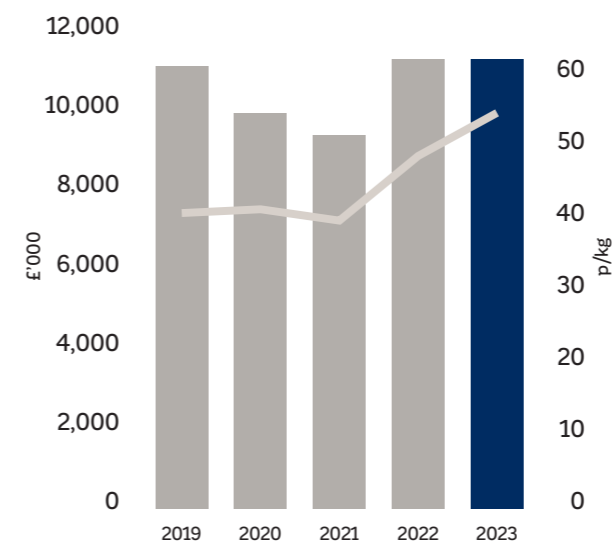
investment will help NexGen move from product development into production, provides British Wool with a seat on the board of NexGen, and NexGen has agreed to source British wool from the British Wool's collective marketing scheme. The investment not only underscores British Wool's commitment to sustainability, but also promises to create value for its members by driving demand for undervalued types of British wool over the medium to long-term.

All in all, despite the disappointment of reduced fleece weights impacting the 2023 clip intake and auction demand for wool easing, 2024 has been a very busy year with several major projects/initiatives completed that will hopefully improve the business and member returns for the long term.

**Andy Whelan ACA**  
Chief Financial Officer

### Operational Costs

As explained on page 18, operating costs have remained flat however reducing intake has pushed up the cost per kg:



Key:  
— p/kg    ■ £'000



Despite cost inflation and living wage increasing c.10%,

**operating costs remained flat at £11.2m**

## Report of the Board

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Report on the workings of the British Wool Marketing Scheme 1950 for the year 1 May 2023 to 30 April 2024 to be considered at the seventy-fourth annual general meeting of registered producers on 13 November 2024.

The Summary Financial Statement is 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 as full an 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 members 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 2024 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 for the Shetland Islands). The Board receives wool from registered members, grades and sells through public auction. Sale proceeds are used to meet payments to members for the wool received and to meet the cost of operations. Any surplus funds available are due to members 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 27.

### 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 members 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)

### Members Engagement Committee

The Member Engagement Committee includes representatives from the member engagement team and provides oversight of British Wool's member facing activity which includes marketing, communications, and field services.

### Pensions Committee

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

### 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 Member is eligible to attend is shown in brackets):

	Board	Audit	Pensions	Remuneration	Member Engagement
J Robertson (Chairman)	7(8)	4(4)	n/a	3(3)	n/a
B Kelly (Vice Chairman)	8(8)	4(4)	3(3)	3(3)	n/a
H Evans	8(8)	n/a	n/a	n/a	3(3)
C Stephenson	8(8)	n/a	n/a	n/a	n/a
J Davies	8(8)	4(4)	n/a	3(3)	n/a
K Drury	8(8)	4(4)	n/a	n/a	3(3)
A Derryman	7(8)	n/a	3(3)	n/a	3(3)
P Chantler	8(8)	n/a	n/a	3(3)	3(3)
E Mackintosh	7(8)	4(4)	n/a	n/a	n/a
J Lea	8(8)	4(4)	3(3)	n/a	3(3)
R Davies	7(8)	1(4)	n/a	3(3)	n/a
J Taylor (Formally appointed 16 May 2024)	2(2)	n/a	n/a	n/a	1(1)
A Whelan	8(8)	4(4)	3(3)	n/a	1(3)
A Hogley	8(8)	4(4)	n/a	n/a	3(3)

## Report of the Board (continued)

### 4. Board Members' and Executive Officers' Remuneration

The total Board Members' for the year ending 30 April 2024 was voted by members, at the Annual General Meeting of 8 November 2023. The emoluments of the Board Members who served at any time during the year were £126,042 (2023: £122,969).

The emoluments of the Chairman, Vice Chairman, Board Members and Consultant for the year were as follows:-

	2024 £	2023 £
Chairman (1 May to 30 April)	30,635	30,635
Vice Chairman (1 May to 30 April)	10,908	10,908
Other regional board members 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	2024 Total £'000	2023 Total £'000
A Hogley	135	1	8	144	138
A Whelan	120	1	7	128	119

### 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 18 of the full 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 2024.

Under the terms of our engagement letter dated 5 May 2023 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 2024 with the Board's full annual accounts.

We also read the other information contained in the Report and Accounts 2024 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 2024.

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 2024.



#### Simon Turner (Senior Statutory Auditor)

for and on behalf of Armstrong Watson Audit Limited  
Chartered Accountants  
Statutory Auditors  
Leeds

1 August 2024

## Summary Financial Statements

Summary Income and Expenditure Accounts for the year ended 30 April 2024

	Group 2023 clip	Group 2022 clip	Board 2023 clip	Board 2022 clip		
	£'000	£'000	£'000	£'000	Average p/kg	Average p/kg
Sales	14,130	14,055	13,588	13,610	81.9	73.5
Stock of 2023 clip	3,168	3,468	3,168	3,468	76.2	72.7
<b>Estimated value of 2023 clip</b>	<b>17,298</b>	17,523	<b>16,756</b>	17,078	<b>80.8</b>	73.4
Advance payments to members for wool	-	-	-	-	-	-
Balance payable to members for wool	(4,849)	(5,654)	(4,849)	(5,654)	(23.4)	(24.3)
Premiums	(344)	(437)	(344)	(437)	(1.7)	(1.9)
<b>Paid and payable to members</b>	<b>(5,193)</b>	(6,091)	<b>(5,193)</b>	(6,091)	<b>(25.1)</b>	(26.2)
<b>Retained to cover expenses</b>	<b>12,105</b>	11,432	<b>11,563</b>	10,987		
Operating expenses	(11,930)	(11,848)	(11,167)	(11,152)		
Transformation adjustments	-	-	(500)	(500)		
<b>Total operating expenses</b>	<b>(11,930)</b>	(11,848)	<b>(11,667)</b>	(11,652)		
Retained after operating expenses	175	(416)	(104)	(665)		
Pension – other finance income/(expense)	(189)	(71)	(189)	(71)		
Deficit on realisation of the 2022 clip	(114)	(66)	(114)	(66)		
<b>Trading deficit</b>	<b>(128)</b>	(553)	<b>(407)</b>	(802)		
Profit/(loss) on sale of assets	-	732	-	732		
Interest receivable	142	103	119	98		
Dividends received	-	-	325	300		
Share of loss of associated undertakings	(14)	6	(14)	6		
<b>Net surplus/(deficit) before taxation</b>	<b>-</b>	288	<b>23</b>	334		
Taxation on surplus/(deficit)	(174)	(188)	(130)	(121)		
<b>Surplus/(deficit) for the year</b>	<b>(174)</b>	100	<b>(107)</b>	213		

Selling prices continued to recover however did fall away towards the end of year.

Despite better selling prices, returns to member down due to lower intake and cost inflation in our cost base.

Operating costs flat despite a intake being lower due to cost inflation.

£0.7m profit on sale of Galashiels sites last year.

## Summary Financial Statements

Statement of Other Comprehensive Income (additional pension charges) for the year ended 30 April 2024

	Group		Board	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Actuarial gains/(losses) immediately recognised	(1,905)	1,208	(1,905)	1,208
Deferred tax	476	(230)	476	(230)
Other comprehensive income/(loss) for the year net of tax	(1,429)	978	(1,429)	978
Surplus/(deficit) for the year	(174)	100	(107)	213
Total comprehensive income/(loss) for the year	(1,603)	1,078	(1,536)	1,191

## Summary Financial Statements

Summary Balance Sheets as at 30 April 2024

	Note	*Group		Board		
		2024	2023	2024	2023	
		£'000	£'000	£'000	£'000	
<b>Fixed assets</b>	1	<b>12,315</b>	10,732	<b>16,578</b>	14,969	Increase mainly due to Selkirk capex.
Stocks		4,033	4,279	3,607	3,888	
Debtors		2,220	3,671	2,916	4,045	Debtors fallen £1.4m due to £0.9m sales proceeds on Galashiels in debtors last year and £0.5m fall in trade debtors due to timing.
Cash at bank and at hand		7,560	7,900	6,306	6,828	
<b>Total current assets</b>		<b>13,813</b>	15,850	<b>12,829</b>	14,761	
Creditors	2	(7,075)	(7,174)	(11,619)	(11,861)	
<b>Net current assets</b>		<b>6,738</b>	8,676	<b>1,210</b>	2,900	
<b>Net assets before pension liability</b>		<b>19,053</b>	19,408	<b>17,788</b>	17,869	
Provisions		(8)	(221)	-	-	Pension scheme liability increased on an accounting basis due to a fall in assets values compared to liabilities. Assets are hedged against liabilities which are both based on gilts for actuarial purposes. For accounting purposes, liabilities are based on bonds hence the divergence.
Other creditors		(6)	-	-	-	
Pension scheme liability	4	(1,873)	(327)	(1,873)	(327)	
<b>Net assets including pension liability</b>		<b>17,166</b>	18,860	<b>15,915</b>	17,542	
<b>Reserves</b>	3	<b>17,166</b>	18,860	<b>15,915</b>	17,542	

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

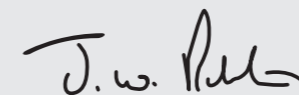
The company provides wool sampling and testing services, to customers engaged in the wool textile industry, using accreditation gained from the United Kingdom Accreditation Service and the International Wool Textile Organisation.

### 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 25 July 2024 and signed on its behalf by:



**Jim Robertson**  
Chairman



**Andrew Hogley CFA**  
Chief Executive Officer

## Summary Financial Statements

### Notes to the Summary Financial Statement

	*Group		Board	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
<b>1. Fixed assets</b>				
Property	10,849	9,508	4,437	3,019
Plant and equipment	1,151	951	998	854
Motor vehicles	142	86	126	65
	<b>12,142</b>	10,545	<b>5,561</b>	3,938
Investments	173	187	11,017	11,031
	<b>12,315</b>	10,732	<b>16,578</b>	14,969
<b>2. Creditors – Amounts due in less than one year</b>				
Amounts due to members	5,076	5,446	5,076	5,446
Others	1,999	1,728	6,543	6,415
	<b>7,075</b>	7,174	<b>11,619</b>	11,861
<b>3. Reserves</b>				
Board's fund	18,570	19,105	8,494	8,962
Pension liability	(1,873)	(327)	(1,873)	(327)
Related deferred tax asset	469	82	469	82
Revaluation reserve	–	–	8,825	8,825
	<b>17,166</b>	18,860	<b>15,915</b>	17,542
<b>4. Pension Reserve</b>				
At 1st May	(327)	(2,014)	(327)	(2,014)
Movement in actuarial losses during the year	(1,907)	1,208	(1,907)	1,208
Contributions paid	550	550	550	550
Amounts recognised in the Income & Expenditure account	(189)	(71)	(189)	(71)
At 30 April	<b>(1,873)</b>	(327)	<b>(1,873)</b>	(327)

## Notice of Annual General Meeting

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

Wool House  
Sidings Close  
Canal Road  
Bradford  
BD2 1AZ

**At 2pm on Wednesday 13th November 2024.**

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 8 November 2023.
- 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 2023 to 30 April 2024.
- 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

30 September 2024

Note:

Any registered member will be entitled to enquire on any matters arising out of the report and accounts preferably through the submission of an enquiry prior to the meeting. 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](mailto:mail@britishwool.org.uk) to be received by 10 November 2024. 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 British Wool 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**

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Sidings Close  
Canal Road  
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