Company Registration No. SC081663 (Scotland)

WEYLAND FARMS LIMITED

DIRECTORS' REPORT AND UNAUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2011

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WEYLAND FARMS LIMITED

COMPANY INFORMATION

Directors	R W Crichton M J F Drever J Foubister J W R Moar E F Scott
Secretary	Orkney Islands Council
Company number	SC081663
Registered office	Council Offices Kirkwall Orkney KW15 1NY
Accountants	A. J. B. Scholes Limited 8 Albert Street Kirkwall Orkney KW15 1HP
Bankers	The Royal Bank of Scotland PLC 1 Victoria Street Kirkwall Orkney KW15 1DP

WEYLAND FARMS LIMITED

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WEYLAND FARMS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2011

The directors present their report and financial statements for the year ended 31 March 2011.

Principal activities
The principal activity of the company continued to be farming.

Directors
The following directors have held office since 1 April 2010:

R W Crichton
M J F Drever
J Foubister
J W R Moar
E F Scott

Statement of directors' responsibilities
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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- 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.

This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

On behalf of the board

J Foubister

J Foubister
Director 17 June 2011

WEYLAND FARMS LIMITED

CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF WEYLAND FARMS LIMITED FOR THE YEAR ENDED 31 MARCH 2011

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Weyland Farms Limited for the year ended 31 March 2011 set out on pages 3 to 17 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants of Scotland, we are subject to its ethical and other professional requirements which are detailed at www.icas.org.uk.

This report is made solely to the Board of Directors of Weyland Farms Limited, as a body, in accordance with the terms of our engagement letter dated 8 April 2010. Our work has been undertaken solely to prepare for your approval the financial statements of Weyland Farms Limited and state those matters that we have agreed to state to the Board of Directors of Weyland Farms Limited, as a body, in this report. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Weyland Farms Limited and its Board of Directors as a body, for our work or for this report.

It is your duty to ensure that Weyland Farms Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Weyland Farms Limited. You consider that Weyland Farms Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Weyland Farms Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

17 May 2011

A. J. B. Scholes Limited

Chartered Accountants

8 Albert Street
Kirkwall
Orkney
KW15 1HP

WEYLAND FARMS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011 £	2010 £
Turnover		42,209	68,352
Cost of sales		-	(18,287)
Gross profit		42,209	50,065
Administrative expenses		13,481	(16,154)
Other operating income		-	136
Operating profit	**2**	55,690	34,047
Other interest receivable and similar income	**3**	-	14
Profit on ordinary activities before taxation		55,690	34,061
Tax on profit on ordinary activities	**4**	(7,705)	-
Profit for the year	**10**	47,985	34,061

The profit and loss account has been prepared on the basis that all operations are continuing operations.

WEYLAND FARMS LIMITED

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE YEAR ENDED 31 MARCH 2011

	Notes	2011 £	2010 £
Profit for the financial year		47,985	34,061
Actuarial gain/(loss) on pension scheme		12,000	(22,000)
Total recognised gains and losses relating to the year		59,985	12,061

WEYLAND FARMS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2011

	Notes	2011 £	2011 £	2010 £	2010 £
Fixed assets					
Investments	5		1,183		1,183
Current assets					
Debtors	6	200		358	
Cash at bank and in hand		169,737		137,689	
		169,937		138,047	
Creditors: amounts falling due within one year	7	(11,405)		(8,500)	
Net current assets			158,532		129,547
Total assets less current liabilities			159,715		130,730
Retirement benefit obligations			(12,000)		(43,000)
			147,715		87,730
Capital and reserves					
Called up share capital	9		510,000		510,000
Other reserves	10		(12,000)		(43,000)
Profit and loss account	10		(350,285)		(379,270)
Shareholders' funds	11		147,715		87,730

WEYLAND FARMS LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 MARCH 2011

For the financial year ended 31 March 2011 the company was entitled to exemption from audit under section 477 Companies Act 2006. No member of the company has deposited a notice, pursuant to section 476, requiring an audit of these financial statements under the requirements of the Companies Act 2006.

The directors acknowledge their responsibilities for ensuring that the company keeps accounting records which comply with section 386 of the Act and for preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to accounts, so far as applicable to the company.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved by the Board and authorised for issue on 17 June 2011

J Foubister
Director

Company Registration No. SC081663

WEYLAND FARMS LIMITED

CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2011

	£	2011 £	£	2010 £
Net cash inflow from operating activities		32,048		83,958
Returns on investments and servicing of finance				
Interest received	-		14	
Net cash (outflow)/inflow for returns on investments and servicing of finance		-		14
Taxation		-		(2,260)
Net cash inflow before management of liquid resources and financing		32,048		81,712
Increase in cash in the year		32,048		81,712

WEYLAND FARMS LIMITED

NOTES TO THE CASH FLOW STATEMENT

FOR THE YEAR ENDED 31 MARCH 2011

1	**Reconciliation of operating profit to net cash inflow from operating activities**	**2011**	**2010**
		£	**£**
	Operating profit	55,690	34,047
	Decrease in debtors	158	41,011
	(Decrease)/Increase in creditors within one year	(4,800)	6,900
	Pension scheme non-cash movement	(19,000)	2,000
	Net cash inflow from operating activities	32,048	83,958

2	**Analysis of net funds**	**1 April 2010**	**Cash flow**	**Other non-cash changes**	**31 March 2011**
		£	**£**	**£**	**£**
	Net cash:				
	Cash at bank and in hand	137,689	32,048	-	169,737
	Net funds	137,689	32,048	-	169,737

3	**Reconciliation of net cash flow to movement in net funds**	**2011**	**2010**
		£	**£**
	Increase in cash in the year	32,048	81,712
	Movement in net funds in the year	32,048	81,712
	Opening net funds	137,689	55,977
	Closing net funds	169,737	137,689

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Turnover

Turnover represents amounts receivable for goods and services net of VAT and trade discounts.

1.4 Leasing

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

1.5 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.6 Pensions

Former company employees were eligible to join a defined benefit local government pension scheme. Contributions payable to this scheme are charged to the profit and loss account over the working lives of the members of the scheme. The contributions are determined by a qualified actuary on the basis of triennial valuations. These contributions are invested separately from the company's assets.

1.7 Deferred taxation

The accounting policy in respect of deferred tax reflects the requirements of FRS19 - Deferred tax. Deferred tax is provided in full in respect of taxation deferred by any timing differences between the treatment of certain items for taxation and accounting purposes. There is no deferred tax provision for the year.

1.8 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred.

2 Operating profit	**2011**	**2010**
	£	**£**
Operating profit is stated after charging:		
Operating lease rentals	2,500	4,285
and after crediting:		
Government grants	-	136

3	Investment income	2011 £	2010 £
	Other interest	-	14

4	Taxation	2011 £	2010 £
	Domestic current year tax		
	U.K. corporation tax	7,705	-
	Total current tax	7,705	-
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	55,690	34,061
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 21.00% (2010 - 21.00%)	11,695	7,153
	Effects of:		
	Non deductible expenses	(3,990)	-
	Tax losses utilised	-	(7,153)
		(3,990)	(7,153)
	Current tax charge for the year	7,705	-

The company has estimated losses of £ nil (2010 - £ 444,036) available for carry forward against future trading profits.

The company has a capital loss of £31,200 available to carry forward against future capital gains.

5 Fixed asset investments

	Unlisted investments £
Cost	
At 1 April 2010 & at 31 March 2011	1,183
Net book value	
At 31 March 2011	1,183
At 31 March 2010	1,183

6 Debtors

	2011 £	2010 £
Other debtors	200	358

7 Creditors: amounts falling due within one year

	2011 £	2010 £
Taxation and social security	7,705	-
Other creditors	3,700	8,500
	11,405	8,500

8 Pension and other post-retirement benefit commitments

Employee benefit obligations

The company's employees are eligible to join a Local Government pension scheme, which is a defined benefit statutory scheme. The most recent full actuarial valuation was on 31 March 2008 and was carried out by a qualified independent actuary. An updated valuation has been prepared at 31 March 2011 for the purposes of FRS17 disclosure. Contributions to the scheme are determined by the actuary on the basis of triennial valuations using the projected unit method.

The amounts recognised in the balance sheet are as follows:

	Defined benefit pension plans	
	2011	**2010**
	£	**£**
Present value of funded obligations	124,000	148,000
Fair value of plan assets	(112,000)	(105,000)
	12,000	43,000

8 **Pension and other post-retirement benefit commitments** **(continued)**

The amounts recognised in the profit and loss are as follows:

	Defined benefit pension plans	
	2011	**2010**
	£	**£**
Included in operating profit		
Past service cost	(20,000)	-
	(20,000)	-
Included in other finance costs		
Interest on obligation	8,000	7,000
Expected return on pension scheme assets	(7,000)	(5,000)
	1,000	2,000
Total	(19,000)	2,000
Actual return on plan assets	12,000	32,000

Analysis of amount recognised in the statement of total recognised gains and losses:

	Defined benefit pension plans	
	2011	**2010**
	£	**£**
Actual return less expected return on pension scheme assets	5,000	27,000
Changes in assumptions underlying the present value of the scheme liabilities	7,000	(49,000)
	12,000	(22,000)

8 **Pension and other post-retirement benefit commitments** **(continued)**

Changes in the present value of the defined benefit obligation are as follows:

	Defined benefit pension plans	
	2011	**2010**
	£	**£**
Opening defined benefit obligation	148,000	97,000
Interest cost	8,000	7,000
Past service cost	(20,000)	-
Actuarial losses (gains)	(7,000)	49,000
Benefits paid	(5,000)	(5,000)
Total	124,000	148,000

Changes in fair value of plan assets are as follows:

	Defined benefit pension plans	
	2011	**2010**
	£	**£**
Opening fair value of plan assets	105,000	78,000
Expected return	7,000	5,000
Actuarial losses	5,000	27,000
Benefits paid	(5,000)	(5,000)
	112,000	105,000

The major categories of plan assets as a percentage of total plan assets are as follows:

	2011	**2010**
	%	**%**
Equities	77.68	80.00
Bonds	16.07	17.14
Other assets	6.25	2.86

8 Pension and other post-retirement benefit commitments **(continued)**

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2011 %	2010 %
Discount rate at 31 March 2011	5.50	5.50
Expected return on plan assets at 31 March 2011	5.63	5.85
Future salary increases	5.10	5.30
Future pension increases	2.80	3.80

The expected rate of return is based on the long-term future expected return for each asset class as at the beginning of the period:
Equities 7.5%
Bonds 4.9%
Property 5.5%
Cash 4.6%.

Life expectancy is based on the PFA92 and PMA92 year of birth mortality tables for non pensioners and for pensioners. Based on these assumptions, the average future life expectancies at age 65 are:
Current pensioners: Males 21.5 years, Females 24.9 years;
Future Pensioners: Males 23.5 years; Females 27.0 years.

Current pensioners life expectancy is based on age 65 as at formal valuation. Future pensioners life expectancy is based on age 45 as at formal valuation.

An allowance is made for future retirements to elect to take 50% of the maximum additional tax-free cash up to HMRC limits for pre-April 2009 service and 75% of the maximum tax-free cash for post-April 2009 service.

Amounts for the current and previous four periods are as follows:
Defined benefit pension plans

	2011 £	2010 £	2009 £	2008 £	2007 £
Defined benefit obligation	(124,000)	(148,000)	(97,000)	(116,000)	(139,000)
Plan assets	112,000	105,000	78,000	117,000	119,000
Surplus/(deficit)	(12,000)	(43,000)	(19,000)	1,000	(20,000)
Experience adjustments on plan liabilities	-	-	13,000	-	(1,000)
Experience adjustments on plan assets	5,000	27,000	(42,000)	(9,000)	(3,000)

9 Share capital

	2011 £	2010 £
Allotted, called up and fully paid		
510,000 Ordinary shares of £1 each	510,000	510,000

10 Statement of movements on reserves

	Other reserves (see below) £	Profit and loss account £
Balance at 1 April 2010	(43,000)	(379,270)
Profit for the year	-	47,985
Actuarial gains or losses on pension scheme assets	-	12,000
Transfer between profit and loss account reserve and pension scheme reserve	31,000	(31,000)
Balance at 31 March 2011	(12,000)	(350,285)

Other reserves

Pension scheme reserve

Balance at 1 April 2010	(43,000)
Increase	31,000
Balance at 31 March 2011	(12,000)

11 Reconciliation of movements in shareholders' funds

	2011 £	2010 £
Profit for the financial year	47,985	34,061
Other recognised gains and losses	12,000	(22,000)
Net addition to shareholders' funds	59,985	12,061
Opening shareholders' funds	87,730	75,669
Closing shareholders' funds	147,715	87,730

12 Control

The ultimate parent organisation is Orkney Islands Council, a local authority incorporated under the Local Government Scotland Act 1973.

14 Related party transactions

	2011	2010
	£	£
Transactions with ultimate controlling party, Orkney Islands Council:		
Expenditure		
Rent	2,500	4,285
Service charges	1,633	6,633
Other expenses	15	696
	4,148	11,614
Creditors		
Trade creditors and accruals	2,500	7,500
	2,500	7,500