From gate to plate
Strategic management accounting in the UK agricultural industry
From gate to plate – strategic management accounting in the UK agricultural industry
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Introduction

Costing in the agri-food sector is an enigmatic business, due to its unusual characteristics. Complex supply chains, a largely fragmented production base and a shortage of accounting expertise, all contribute to a lack of visibility of costs at various stages of the supply chain from the farm gate to the diner’s plate. Producers also have to contend with the relative concentration of power with the large retailers; and with the vagaries of weather and disease.

The peculiarities of this sector make it a fascinating arena to study, but may frustrate attempts to import management accounting practices which have proved successful in other sectors. Despite this, there does seem to be potential to improve both costing and pricing practices to achieve cost efficiencies and to enable participants to better understand their costs – insights which could help them negotiate more equitable contracts.

One particular strategic planning tool with apparent potential for the agri-food sector, is Target Cost Management (TCM). Supply chains in other industries practice TCM effectively, including chains in fragmented industries and with smaller participants – that is, chains which seem to share the characteristics of supply chains in the agri-food sector.

This report summarises the discussions of farmers, CIMA members and other stakeholders who attended a series of roundtables hosted by CIMA, in late 2008, about costing practices in the UK’s agri-food sector. A roundtable was organised for each of the following groups:

- farmers and other primary producers (‘the farmers’);
- representatives from trade associations for livestock, cereals and vegetable producers, government advisers, economists and lobbyists (‘the agricultural extensionists’); and
- CIMA members working in the food supply chain as entrepreneurs, financial managers for agri-businesses, accountants to farmers or suppliers of ancillary services such as transport (‘the CIMA members’).

These focus groups formed part of a funded research project by Dr Lisa Jack, of the University of Essex, investigating the use of target cost management in this sector, and the potential for increased application of strategic management accounting1 techniques. Dr Jack’s contention – based partly on research into accounting practices at farms across the globe – is that by establishing viable pricing for their output, food businesses can set realistic levels of desired return and fix target costs for their operations. A summary of Dr Jack’s research and suggestions for further reading are given in the Appendices.

The issues covered by the roundtables and discussed in this report include:

1 Challenges posed by the industry’s structure;
2 Previous lack of understanding of costs;
3 Imbalance of power;
4 Waste and short-termism;
5 Potential to work collaboratively; and
6 Can Target Cost Management (TCM) work for smaller participants?

Overall, the groups expressed interest in the application of formalised TCM, and in other strategic or management tools. But they felt that two significant factors represented obstacles to progress:

- the disproportionate power of the retailers and
- farmers’ historic lack of understanding of their costs.

This suggests that any cost savings achieved by the application of TCM or other strategic tools would benefit only the supermarkets or their consumers; and that the potential to act collaboratively was dependent on adopting longer-term relationships and a longer planning horizon than have traditionally been the practice for this sector.

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1 Strategic management accounting is defined as a ‘form of management accounting in which emphasis is placed on information which relates to factors external to the entity, as well as non-financial information and internally generated information.’ CIMA Official Terminology, 2005, CIMA Publishing, London.
'Pricing and customer requirements dominate the debate around food production,’ says Dr Jack. ‘But designing processes to cost is rarely part of the conversation for farmers and other producers. I wanted to explore not just the reduction of waste throughout the supply chain – which does reduce cost, but not necessarily to the benefit of individual producers – but also whether cost management disciplines could be applied to farms and processors to give them more control over their fortunes.’

A simplified food production supply chain starts at the farm gate with crops or livestock raised by primary producers (farmers or growers), which might be packed and sold directly to retailers or wholesalers, or which may need processing (as for example, meat often does) and/or manufacture (e.g. into ready meals) before reaching the end retailer and the consumer’s plate.
Challenges posed by the industry’s structure

The unique accounting practices of the food supply chain attracted Dr Jack to research this sector. She became involved with agricultural accounting as an academic, but realised that accounting in the food supply chain differed from accounting in the other sectors she had encountered in her previous career as an auditor.

Dr Jack observes that: ‘Recently, more people are talking about prices and customer requirements; and I’m observing more participants in the supply chain doing something called “design to cost” – affecting how fields are drilled, how cattle are fed, how milk parlours are organised. I’m coming across lots of initiatives about reducing costs, reducing waste but no formal Target Cost Management – and, unlike other supply chains, I’m not seeing much sharing of accounting information between members.’ She adds: ‘Some other quite sophisticated practices are going on in this sector – and not many people are aware of that.’

The accounting practices are to a large degree, a product of the structure of the industry. At the base of the supply chain sit the farmers and agri-businesses that feed the food supply chain. It is an incredibly fragmented industry where many farms operate as little more than family businesses.

Every farm has a unique cost structure, depending on such variables as whether land or machinery is leased or owned, or whether it is family or contracted employees which provide labour. This means it’s much harder to establish industry-wide norms for acceptable margins, which in turn means that pricing pressures from higher up the food chain can be passed down much more aggressively. ‘Some farmers will work for lower margins because they are daft,’ said one farmer. ‘Others just don’t understand their true costs, so they simply undercut their rivals.’

Understanding their own costs is only part of the problem. Many farmers appear to be isolated from the rest of the supply chain, partly because they lack the scale to negotiate, and partly because information about activities further down the supply chain is hard to come by. Certainly the supermarkets are reluctant to offer visibility into their own margins and costs.

It’s all too easy for this lack of information or power to translate into disproportionate pressure on producer’s margins, pressure which has wider social and environmental effects, as one agricultural extensionist commented: ‘In rural communities, you can see all the services that are reliant on the financial success of food producers, and they ought to be factored into the equation.’

<table>
<thead>
<tr>
<th>Number of operators (2005)</th>
<th>Agricultural holdings</th>
<th>Food and beverage manufacturers</th>
<th>Food, beverage and tobacco wholesalers</th>
<th>Specialist food retailers</th>
<th>Non-specialist food retailers</th>
<th>Restaurants, bars, canteens, and catering</th>
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</thead>
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<tr>
<td>United Kingdom</td>
<td>254,600</td>
<td>6,994</td>
<td>14,104</td>
<td>31,527</td>
<td>28,554</td>
<td>115,083</td>
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Source: Eurostat (Food: from farm to fork statistics)
Previous lack of understanding of costs

This was an issue mentioned spontaneously by the farmers. Several factors contribute to the lack of priority many farmers give to cost management.

As one farmer commented: ‘When a farmer is prepared to work for the equivalent of a couple of pounds an hour, it’s obvious they’re not thinking of their farm as a ‘business’. It’s not a logical, rational business decision based on potential returns. Many farmers justify it by hoping for an appreciation in the value of their land. Some don’t understand their costs at all, and probably couldn’t measure them even if they wanted to. That’s partly down to the culture of subsidies: we simply haven’t had to focus on cost management up to now.’

The discussion from CIMA members was also dominated by the fundamental problem of assigning costs and prices in such a volatile and fragmented market. ‘It’s easy to blame the supermarkets,’ said one. ‘But lack of visibility through the supply chain is a major cause of the problems with food pricing.’

Others added that while it was probably relatively straightforward to understand cost and price pressures for the neighbouring stages in the supply chain, understanding the key cost information through to the consumer was practically impossible.

A brief history of subsidies

When the UK joined the EU in 1973, the policy was known as the Common Agricultural Policy, which maintained price levels for certain key outputs. EU policy changed in the 1980s, with the appearance of the first food mountains, and increased concern about the environmental sustainability of agriculture.

In 1988 the EU introduced ‘Set-aside’ – a subsidy aimed at controlling production by compensating arable farmers for a proposed reduction in cereal subsidies, on condition they take a proportion of their land out of production.

Currently in the UK the principal subsidy is the EU’s Single Payment Scheme (SPS) which aims to give farmers greater flexibility to respond to market pressures – recipients do not need to undertake any agricultural production to qualify but they do need to maintain their land in a good agricultural or environmental state.

Different member states apply different conditions for EU subsidies, and introduce new subsidies over different timescales. Throughout the EU, the average proportion of farm income from farm subsidies in 2006 was 32%. Across all OECD countries it was 27%, ranging from 1% (New Zealand) to 66% (Norway).
Imbalance of power

Since the takeover of Safeway by Morrisons in 2004, the UK food retailing sector has had a Big Four, being Asda, Tesco, Sainsbury’s and Morrisons. In 2007, these retailers accounted for more than two-thirds of the UK’s supermarket shopping. From the consumer’s perspective this is effectively an oligopoly (a market dominated by a few sellers) and from the producer’s perspective is an oligopsony (a market dominated by a few buyers). More recently, discount retailers such as Aldi and Lidl have eaten into the Big Four’s share.

In 2000, the Competition Commission conducted an investigation into, amongst other issues, supermarkets’ relationships with suppliers. It concluded that ‘the existence of buyer power among some of the main parties has meant that the burden of cost increases in the supply chain has fallen disproportionately heavily on small suppliers such as farmers.’ The Commission proposed a mandatory Code of Practice to govern supermarket-supplier relationships.

In a related follow-up inquiry into Groceries completed in 2008, the Commission felt that to some extent the Code had constrained the exercise of buyer power by the four largest grocery retailers. It reiterated its previous concern in the finding that ‘the transfer of excessive risk and unexpected costs by grocery retailers to their suppliers through various supply chain practices if unchecked will have an adverse effect on investment and innovation in the supply chain, and ultimately on consumers’ and proposed a tightening and widening of the Code.

All the groups commented on this issue. ‘The supermarkets are disproportionately strong and that means changes to pricing inevitably fall on the weakest links in the chain,’ one agricultural extensionist said. ‘The number of suppliers is the key. If you’re one of six, you have some leverage – but being one of 6,000 means you have no power at all.’

Supermarkets pass other pressures than pricing down the supply chain, arguably in response to demand from the end consumer. For example, supermarkets will specify which pesticides they will permit growers to use (which may result in lower yields than the farmer’s preferred and equally regulated alternative); specify that produce meet exacting appearance standards; or require extremely stringent conditions to prevent contamination of ingredients with possible allergens. Not unreasonable requests in themselves but the costs of compliance fall disproportionately on the weaker members of the supply chain (see below). What might happen in a supply chain with more equality, is that ‘manufacturers’ would agree to such customisation for a premium. In the food supply chain, it is frequently a condition of remaining a supplier.

As one CIMA member commented ‘Some supermarkets are more exacting than others (Waitrose and M&S for example). The cost of providing dedicated resource should be reflected in the price charged by fully costing the additional resource needed.’ Another commented, ‘Supermarkets put constraints on growers/suppliers regarding technical standards that add cost in. They then compare pricing with supermarkets who are not applying the same constraints and the growers/producers profit margins get squeezed.’

The £80,000 Waldorf salad
One participant contributed this anecdote. A walnut was found in a lettuce crop, as it was being packed for a major supermarket retailer. He assumes it was dropped by a passing magpie, commenting that these intelligent birds are known to drop nuts on what they think are roads, so that traffic can crush the shells for them. The presence of this single nut was sufficient for the retailer to categorise the crop as contaminated by nuts, thus the entire harvest (valued at £80,000) had to be scrapped. This is an entirely new cost, falling solely on this grower, which he would not have had even a few years previously.
Waste and short-termism

As the Competition Commission pointed out, one of the risks of oligopsony is that it discourages the formation of long-term relationships, which in turn encourages a culture of short-termism. The comments from the CIMA roundtables suggested that in the agri-food sector, retailers focus on short-term targets and farmers on the next season. Neither focus on long-term sustainability.

‘Retailers seem to be driven by their own internal targets rather than by considerations about the true cost of their supplies or the long-term viability of their suppliers,’ said one CIMA member.

The farmers felt these different planning horizons would deter participants from adopting Target Cost Management. One crop grower commented that growers can’t help feeling a lack of commitment to longer-term relationships on the part of the supermarkets. Although they may have ‘programmes’ in place covering a timespan of several months, growers’ actual contracts with supermarkets are for one or two weeks at a time. The high turnover of supermarket buyers (see section 5) is another factor.

Longer contracts would benefit the supermarkets in helping protect continuity of supply. One farmer commented that potato growers are experiencing increases in the costs of their inputs of 15-20%, and stricter restrictions on pesticides. But even these factors were outweighed by the pressure for low prices, passed back from supermarkets’ customers. ‘I’m scared to guess next year’s price’ he advised ‘and retailers are scared they won’t be able to secure their supplies in the future. There will be no-one left growing it anymore.’ A similar comment was contributed in the CIMA members’ roundtable in relation to carrots: ‘Producers were losing money at 24p per pound. A couple went to the wall, and supermarkets realised they had gone too far.’

All roundtables agreed there was far too little consideration of long-term planning throughout the chain, or appreciation from farmers that they needed to re-invest in their businesses and factor in longer-term costs in their pricing.

Some larger commercial producers can’t avoid this kind of planning – building extensive glasshouses for the cultivation of salad crops, for example, is expensive, so the business needs to be financially modelled to justify the investment. One agricultural extensionist cited the example of Dutch growing co-operatives that factor in R&D and capex, as well as looking for economies of scale in terms of input costs.

Food processing companies tried to address this problem by seeking firmer contracts with customers. But the standard agreement in the industry remains a 13 week notice to cancel (in some cases it’s much shorter – as little as two weeks). That means unbranded processors are almost as exposed, in terms of investment appraisal, as the farmers – where less than ten per cent of production is committed within pre-arranged contracts.

Supermarkets sometimes give growers an indication of their annual requirement, then only take a proportion of the crop. Sometimes the remainder is ploughed back into the ground. One CIMA member estimates that overall there is about 5% wastage resulting from bad planning and lack of co-ordination of supermarket demands with planting. However it was not the overall figure that seemed shocking, as much as the specific instances – one example given was the grower having to plough back into his fields a short-lived crop worth £100,000 at retail prices.

Finally, the industry’s volatility does not deliver the opportunities one might expect. There is what one agricultural extensionist called a ‘ratchet effect’ on costs: ‘When food commodity prices rise, those supplying producers – such as fertiliser and feed companies – look to increase their prices. But there’s no corresponding decrease when, for example, wheat prices fall just as dramatically.’

Inherent volatility

While global commodities markets and even local market trends can offer farmers some ability to forecast prices, the fundamental instability of the industry creates huge problems from an accounting standpoint. For example, the rise in global wheat prices in 2007 encouraged many farmers to plant the crop for the 2008 harvest. But between the decision to plant and harvest, prices dropped sharply. While larger producers do look to hedge their prices and sell forward, this can limit profitability as well as protect margin – and farms are still vulnerable to low yields caused by, for example, poor weather.
Potential to work collaboratively

Dr Jack suggested to the farmers that there was potential to learn from practices in the US, Australia and New Zealand food supply chains, all of which are more collaborative than the UK. And possibly from the practices of other industries, although there might be significant ‘translation’ problems importing some techniques due to the particular characteristics of the UK agri-food sector.

The farmers were open to the idea of innovation in cost management and contracting. But while they agreed there was probably scope for cost reduction to boost returns (the cereal industry was specifically mentioned), there was a concern that savings anywhere in the supply chain eventually find their way to the consumer or are absorbed into the margin of the larger retailers. Retailers are open to ‘cost-plus’ contracts in some areas, but aggressively protect on-shelf pricing in others.

Experience was mixed. Two CIMA members commented that collaboration does happen but ‘more upstream than downstream’; a perception echoed in the second comment ‘the further away from the consumer (supermarkets) the more visible the collaboration is.’ However, a farmer commented ‘I’ve never got even one of my processors to look at my costs and judge whether I’m making a fair return.’

As another farmer put it: ‘We have to accept the price the world is giving us. That’s the game we’re in.’ That still leaves the door open to improving the business using methods such as target cost management. But it makes the calculations taxing at best.

As one CIMA member identified: ‘One potential area of employing target cost management throughout the food supply chain is through logistics: the effective management of deliveries through the supply chain in order to deliver cost and efficiency savings.’

While the agricultural extensionists agreed that food supply chains could work more collaboratively to eliminate waste and reduce costs, there is a feeling that there simply aren’t any incentives to do so. Any gains for producers and processors would be taken by the retailers ‘on behalf of the consumer’.

A CIMA member questioned ‘at what point would one encounter competition law problems?’ Another commented that ‘where there are a few suppliers, they know each other, talk to each other and do know each others costs – effectively a cartel.’

One farmer mentioned his experience of co-operatives was that their role had been frustrated by the intervention of his local rural development agency which had ‘de-recognised’ the co-operatives, thereby denying them EU funds. He commented that collaboration now tends to be done via category managers of supermarkets promoting one particular food type.

This brought up another issue – the high staff turnover among supermarket category managers reduces the chances of building up long-term relationships that might help producers and processors address some of these cost and price issues. One CIMA member felt these short tours of duty were deliberate on the part of the supermarkets, suggestive of a lack of trust in their buyers.

Many of the extensionists spoke encouragingly about the potential for groups of suppliers to band together to manage both cost and price risks more effectively. But evidence from the US suggests the traditional business method of boosting returns – consolidating the supply chain to lock in more margin at each level – doesn’t always work in agri-business. Even co-operatives or value-added producers are weak relative to the retailers.
Dr Jack describes TCM as ‘logically, about the most straightforward thing you’re ever likely to come across. Practically, it is one of the most difficult.’ It could be simply expressed as the equation:

\[
\text{Anticipated price} - \text{Return Required} = \text{Target Cost}
\]

‘Unfortunately,’ she comments, ‘each of these can be problematic for agriculture. One key characteristic of farming is fluctuating price levels, meaning that anticipated prices can fall within a wide range. Required return is also problematic. The concept of ROCE is rarely used in farm accounting; typical farm accounts only identify the operating costs for the enterprise as a whole rather than for specific activities; and tend to categorise too many costs as fixed when calculating gross margin.’

Dr Jack argues that identifying the target cost is the easiest element of the equation. If producers are thoroughly familiar with how their costs are made up, she explains, they can gain competitive advantage through reducing costs, or identifying which value adding measures are justified. Such insights can also stimulate innovation, through the challenge of ‘designing to cost’ rather than ‘designing for yields’. ‘These are all strategic planning activities, which some producers are currently doing, hence my claim that a limited form of TCM is happening naturally in this sector. But there are other strategic planning activities, such as continuous improvement and more advanced benchmarking, which would be enabled by more formal TCM, which this sector is missing out on.’

She wondered: ‘are there factors which facilitate using this type of management thinking in the agri-food sector?’ The results of each focus group suggested there was cautious interest in the application of formalised TCM, and an endorsement for Dr Jack’s continuing research, perhaps examining these practices in a specific sector or small supply chain, establishing the principles and collecting evidence of effective collaboration.
Conclusions

Combining the focus groups with Dr Jack’s research allows an examination of the interface between accounting and the culture of food businesses; and highlights the potential to import practices from other sectors, acknowledging the unique features of this industry sector.

Management accountancy brings discipline and accountability to decision making. But its potential for this sector is hindered by a serious lack of visibility or understanding of costs particularly at the roots of the food supply chain.

This lack of visibility is partly inherent because the output of primary producers in the chain are, by definition, commodities. Commodities are affected by significant volatility in pricing, ease of switching between suppliers and global competition.

At the same time, lack of collaboration within the food supply chain – resulting from the culture of the farming community and a degree of insularity – contributes to the poor flow of data. And it seems to inhibit participants from introducing a more structured and sustainable approach to financial management.

The imbalance of power within the food supply chain deserves closer scrutiny. It was a factor mentioned by every roundtable and most of the participants, and seemed to flavour many of the other issues. It has also been the subject of media debate, public interest and scrutiny from regulators. Although obviously significant and pervasive, it’s not helpful to regard the supermarkets’ power as unassailable, for the following reasons:

• progress has been made on this issue since the creation of the Supermarkets Code of Practice;
• collaborative efforts need to include, rather than alienate the supermarkets;
• it is in the mutual interests of both supermarkets and primary producers that consumers are better educated about the costs of producing food. It is the supermarkets who have the relationship with the consumer, so their participation is essential;
• concentration on this issue might prevent farmers, processors and other participants from addressing fundamental weaknesses in their own business practices.

The conclusions of the three roundtables suggest the following way forward for participants in the food supply chain:

1 Producers need to understand their costs to achieve a fair return. They need to build in costs for animal welfare, ‘customisation’ to supermarkets’ demands, and most importantly to set a target return which makes a contribution to long-term costs and sustainable production.

2 Information on costs should be shared within the chain. Basic co-operative agreements, greater sharing of information and cost-based contracts with customers are all possible solutions to tight margins. Even if peers or neighbouring stages in the supply chain are reluctant, traditional sources of information can be exploited, including farm circles, attendance at livestock markets and reading trade press. One useful technique suggested by a farmer is to play more than one role in the supply chain ‘if you produce a crop, and also buy it from other suppliers (for selling on), you get useful intelligence about how much your competitors are selling for.’

3 Producers should ask for written terms of trade from the supermarkets they supply. The Office of Fair Trading was surprised to find after their audit of supermarket’s compliance with the Supermarkets’ Code of Practice, that none of the suppliers in their sample had done so. The OFT commented ‘the effective resolution of disputes relies on both sides being in possession of written terms. Transparency about terms of dealing is essential to suppliers’ ability to negotiate assertively with supermarkets on matters including prices, volumes, discounts, over riders, and promotions.’

4 Participants in the food supply chain might consider what collaborative models from other industries or countries could teach this sector. For example, e-markets are common in aerospace or automotive industries. One CIMA member commented that collaboration within EU food supply chains seems more advanced.
5 Consumers need to understand better the inputs into the supply chain, and specifically the impact on costs of their preferences. For example, when feed costs are high, the price of meat should rise; or when better animal welfare is practiced or mandated, the additional costs of doing so should be passed on to consumers, who originate (directly or otherwise) these requirements. This is particularly important to make competition fairer when consumers are offered a choice including produce from suppliers from other countries who are not required to adhere to these more expensive practices. And consumers should be educated about seasonality. One solution is more informative labelling, to indicate that produce has been produced to more exacting standards, or has been air-freighted.

6 Efforts should be made to reduce waste, especially where this results from poor co-ordination of requirements or a lack of understanding from supermarket buyers, of growing cycles. Members of the roundtable commented on the potential to reduce waste overall, and examples of specific instances which fell disproportionately on growers. Much food waste should be reduced from July 2009, with the repeal of 20 year old EU regulations specifying marketing standards for many fruits and vegetables.

7 Supermarkets should adopt a longer-term perspective towards their relationships with primary producers. Two week contracts, and a lack of certainty about how much of their output the supermarket will buy, ultimately will discourage farmers from innovation and investment in new capacity or new production processes. And driving primary producers out of the sector, as has been seen in respect of the dairy industry, will adversely impact the continuity of supply.

To learn more about research funded by CIMA’s General Charitable Trust, please visit www.cimaglobal.com/research or contact the research team:

E. research@cimaglobal.com
T. +44 (0)20 8849 2275
Appendix A

Members of roundtables organised in December 2008 for

- farmers and other primary producers (‘the farmers’);
- representatives from trade associations for livestock, cereals and vegetable producers, government advisers, economists and lobbyists (‘the agricultural extensionists’); and
- CIMA members working in the food supply chain as entrepreneurs, financial managers for agri-businesses, accountants to farmers or suppliers of ancillary services such as transport (‘the CIMA members’).

Farmers

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<tbody>
<tr>
<td>David Watson</td>
<td>Operations Manager</td>
<td>Co-operative Farms</td>
</tr>
<tr>
<td>John Benton</td>
<td>Farm Manager</td>
<td>Sentry Ltd</td>
</tr>
<tr>
<td>Robert Law</td>
<td></td>
<td>Thrift Farm, Royston</td>
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Agricultural Extensionists

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<tr>
<th>Name</th>
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<tbody>
<tr>
<td>Peter Whitehead</td>
<td>Agri-Business Programme Leader</td>
<td>IGD</td>
</tr>
<tr>
<td>Jo Zaremba</td>
<td>Global Adviser – Private Sector and Development</td>
<td>Oxfam</td>
</tr>
<tr>
<td>Phil Bradshaw</td>
<td>Supply Chain Manager</td>
<td>Potato Council Limited</td>
</tr>
<tr>
<td>Martin Collison</td>
<td>Rural Consultant</td>
<td>Collison and Associates Limited</td>
</tr>
<tr>
<td>Dr. Martin Grantley – Smith</td>
<td>Head of Projects</td>
<td>Agriculture and Horticulture Development Board (Meat Services)</td>
</tr>
<tr>
<td>Deborah Mansfield</td>
<td>Research Officer</td>
<td>University of Cambridge</td>
</tr>
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CIMA Members

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<tr>
<th>Name</th>
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<tbody>
<tr>
<td>Russell Brown</td>
<td>Managing Director</td>
<td>Russell Brown Associates Ltd</td>
</tr>
<tr>
<td>Simon Goddard</td>
<td>Finance Director</td>
<td>Jepco (Marketing) Ltd</td>
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<tr>
<td>Jenny Darroch</td>
<td>Business Accountant</td>
<td>Bakkavör Fresh Cut Produce</td>
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<tr>
<td>Marilyn Palmer</td>
<td>Director</td>
<td>PHP Accounting Services Ltd</td>
</tr>
<tr>
<td>Bal Grewal</td>
<td>Commercial Manager (Agrifood sector)</td>
<td>DHL Exel Supply Chain</td>
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<tr>
<td>Adrian Burrows</td>
<td>Finance Director</td>
<td>John Baarda Limited</td>
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<tr>
<td>Louise Ross</td>
<td>Technical Specialist</td>
<td>CIMA</td>
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Appendix B – further reading

Towards collaborative target cost management in agriculture and food
A discussion paper by Dr Lisa Jack
www.cimaglobal.com/gatetoplate

Management Accounting Practices in the UK food and drinks industry
CIMA funded research by Dr M Abdel-Kader and Professor R Luther, April 2006
Summary at http://snipurl.com/cimafood
Full report at http://snipurl.com/cimafoodanddrink

Achieving fairness in trading between supermarkets and their agrifood supply chains
A briefing paper from the UK Food Group
http://www.ukfg.org.uk/food-supply-chain.php

The Common Agriculture Policy Explained
Explains the different means by which the CAP supports the agricultural sector in the EU, and plans for its reform. Contains some useful comparative statistics for an overview of this topic.
http://snipurl.com/bamot

Food: from farm to fork statistics
A handbook of statistical information about the food chain in Europe – numbers of participants at various stages in the chain, the average size of farms etc. It is a summary of the data available in the far more comprehensive and publicly available statistical database for the European agricultural sector. http://snipurl.com/farmtofork


Supermarkets: The code of practice and other competition issues (August 2005)
Conclusions on the OFT’s review of the Supermarkets Code of Practice review and how the OFT intends to continue monitoring and enforcing compliance with the Code.
http://snipurl.com/bamwa

Agricultural policies in OECD countries:
At a glance 2008
An overview of agricultural support in the OECD area, and country by country. Supplemented by a useful online database of statistics.
http://snipurl.com/cimaoecd