

REGISTRARS COPY



THE ROYAL ASSOCIATION OF

BRITISH DAIRY FARMERS

**(Company limited by guarantee and not
having a share capital)**

Patron Her Majesty The Queen

REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31st DECEMBER 2009

Dairy House, Unit 31, Stoneleigh Deer Park
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Dafferns LLP

Chartered Accountants & Business Advisers

TUESDAY



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THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2009

The Council presents its report and the audited financial statements for the year ended 31st December 2009

Reference and administration information

Charity name	The Royal Association of British Dairy Farmers
Charity registration number	213782
Company registration number	13393
Registered office and Operational address	Dairy House Unit 31, Stoneleigh Deer Park Stareton Kenilworth Warwickshire CV8 2LY

Council of Management and Directors

Mr F H Armitage	
Lady Byford	(not a director)
Mr D W Cotton	
Mr D L Davies	(appointed - 1 1 09)
Mr W J Daw	
Mr T D Dobson	
Mr L R C Edwards	
Mr I K G Macalpine	
Mr D R Mead	(resigned - 17 8 09)
Mrs M V Mead	
Mr J M Owen	
Mr M A Roach	
Mr D J Roberts	
Mr A R Snodgrass	(appointed - 1 1 09)
Mr W H Whiteford	
Mr A A Wielkopolski	

President

Lady Byford	(resigned - 17 6 09)
Lord Rooker	(appointed - 17 6 09, resigned - 7 7 09)
Lady Byford	(appointed - 9 7 09)

Chairman

Mr L R C Edwards

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2009

Vice Chairman

Mr D W Cotton

Chief Executive

Mr N Everington

Company Secretary

Mr N Everington

Auditors

Dafferns LLP, Chartered Accountants, Warwick House, 32 Clarendon Street, Leamington Spa, Warwickshire CV32 4PG

Bankers

Barclays Bank plc The Parade, Leamington Spa, CV32 4AZ

Structure Governance and Management

Governing Document

The Association is a charitable company limited by guarantee and does not have a share capital (No 13393) The Association was incorporated under Licence of the Board of Trade on 1st October 1879 and registered as a charity on 5th December 1962 (No 213782) The company was established under a Memorandum of Association which established the objects and powers of the charitable company and is governed under its Articles of Association In the event of the company being wound up members are required to contribute an amount not exceeding £5

Recruitment and Appointment of Council

The directors of the company are also charity trustees for the purpose of charity law and under the company's Articles are known as members of the Council Under the requirements of the Memorandum and the Articles of Association one third of the members of the Council shall retire from office on the 31st December each year Members to retire will be those that have been longest in office since their last election or appointment No member shall be eligible to stand for election to Council if he/she would be over 70 years old at the time of commencing as a Council Member At least three members of the Council elected each year shall be active or retired dairy farmers or engaged in or retired from working in or control of a dairy farming business

Trustee Induction

New trustees are briefed by the Chairman or Chief Executive on their obligations as Council Members and the future plans and objectives of the Association They are also invited to attend the last meeting of the previous year, prior to the year their appointment commences

Organisational structure and how decisions are made

The Council of Management consists of a President, Chairman, fifteen members elected by the Association and up to three additional co-opted members The Council of Management acts as the Board of Trustees and is responsible for the overall governance of the Charity Elected trustees may remain in office for a period of up to three years Co-opted Trustees are appointed by the Board of Trustees and hold office until the close of the following Annual General Meeting

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2009

Organisational structure and how decisions are made

Trustees meet at least five times per year, apart from the AGM. At these meetings the Trustees review strategy, operational and investment performance and set operating plans and budgets.

The Board delegates the exercise of certain powers in connection with the management and administration of the charity as set out below. This is controlled by requiring regular reporting back to the Board, so that all decisions made under delegated powers can be ratified by the full Board in due course.

The Chairman's Committee meet periodically to discuss strategy and staff issues.

The Remuneration and Audit Committee meet once per year to discuss the financial performance of the Association and staff remuneration.

The Investment Committee meets once per year with the Association's brokers to review the financial performance of its investments.

The Dairy Event and Livestock Show Strategy Committee meet once per year to review the previous event and plan future strategy.

The Conference and Awards Committee meets as and when required to compile conference programmes, review existing and proposed new awards.

The Animal Health and Welfare Committee meets periodically to discuss issues relating to animal health and welfare and practical on farm issues.

The Membership Committee meets periodically to review membership numbers, benefits and categories and to discuss initiatives to recruit new members.

Chief Executive

The Chief Executive is responsible for the day to day management of the Association's affairs and for implementing policies agreed by the Council of Management.

Risk Management

The trustees have conducted their own review of the major risks to which the charity is exposed and systems have been established to mitigate those risks. The major activity is the annual two day Dairy Event and Livestock Show run each year. The primary risks facing the charity here are due to the vagaries of the weather and potential animal health and disease risks. The trustees are satisfied that they have taken all necessary precautions. The Association is also increasingly looking at new income streams to lessen its dependence on a successful Dairy Event and Livestock Show.

Objectives and Activities

The Association's objectives and principal activities continue to be the promotion of the improvement of the dairy stock, the dairy produce and the dairy industry of the UK.

The Association's main objectives for 2009 were

- 1 Increase the total number of Annual & Young Members from 1,000 to 1,100
Register 1,000 Associate members at the Event and also maintain 40 Corporate Members
Annual and Young membership increased from 1,000 to 1,044 in a year when 119 cancelled their membership and UK dairy farmer numbers in general declined by 656 (3.85%). 565 Associate Members were registered at the Event and Corporate Membership was maintained at 40 members.
- 2 Maintain corporate profile on policy matters by exceeding the 30 releases issued in 2008 using the Technical & Policy Advisor, Policy Director, Chairman and other Council Members
RABDF issued 38 press releases during 2009 covering corporate and policy issues.

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2009

- 3 Increase Event stand space & sign income in 2009 by £32,000 over the previous year by maintaining numbers and introducing higher stand space charges
Stand space and sign income increased by £32,500 over 2008 despite there being fewer stands
- 4 Increase ticket sales income by £20,000 by maintaining numbers and introducing increased ticket prices
Attendance increased by 12% over 2008 and with the increased ticket prices, revenue rose by £35,000 over the previous year
- 5 Develop a three year business plan for the Dairy Event and Livestock Show which includes, securing a venue, providing appropriate staffing and generating an adequate level of profitability to fund the Associations current activities
A three year business plan prepared by the Chief Executive was agreed by the RABDF Council This included moving the Dairy Event and Livestock Show from its current location at Stoneleigh Park to a new site at The NEC, Birmingham for the 2010 Event which will be held on Tuesday 7th and Wednesday 8th September
- 6 Actively investigate additional sources of income using the association's existing skill base that fall within RABDF's charitable status
A Lantra Training Scheme, with financial support from One North East and Yorkshire Forward, was promoted to dairy farmers in these areas The scheme provided some useful and timely training for farmers as well as helping attendance at the Dairy Event and Livestock show
- 7 Maintain RABDF's current activities involved with European Projects, training and awards and also introduce a new machinery award at the event
Both the Pathomilk and Geronimo projects were successfully concluded in 2009 and together made a positive contribution to the Association's Finances
A new livestock machinery and equipment award was launched at the 2009 Event attracting a high level of interest 18 entries were shortlisted to 10 with the winner being the Lely Astronaut A3 Next robotic milker
- 8 To exceed the Budgeted Profit Target for 2009 as agreed by Council in order that the aims of the charity may be achieved to optimum level
A surplus level of £52,634 was achieved for the financial year, exceeding the budgeted target by £20,194

Achievements and Performance

The Association's main areas of activity continue to be the organisation of the annual Dairy Event and Livestock Show, provision of training and technical information for dairy farmers, and representation of members' interests with government and other organisations

Dairy Event and Livestock Show

Although the number of exhibitors dropped slightly from 464 in 2008 to 454 in 2009, many companies booked larger stand spaces and with the limited undercover and saleable exhibition space at Stoneleigh Park, stand numbers were restricted in 2009
The Association continued to benefit from strong support from the supply industry
Surveys conducted with exhibitors after the event showed that 72% took orders at the Event and over 94% were satisfied with the quality and quantity of enquiries received

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2009

Dairy Event and Livestock Show

The vast majority, 85% of the event's visitors, work on the farm indicating that the Association continues to fulfil the objects for which it was established

Following the announcement in June 2009 that RABDF's Council had decided to move The Event from Stoneleigh Park to The NEC in 2010, a series of Exhibitor Awareness Days for existing and potential exhibitors were held in December at the NEC

These proved extremely popular, with over 300 people attending and answered many of the questions that had been raised following the announcement of the move. The overall reaction from exhibitors to the venue, with its modern bespoke exhibition facilities and the best access of any exhibition venue in Europe, was very positive

Farm Walks

The early grazing days entitled "Milking Grass for Profit" were repeated in 2009 with three farm walks held in Cumbria, Staffordshire and Wiltshire in late March and early April. These were organised in association with the British Grassland Society and DairyCo and were again extremely popular, attracting just under 500 farmers in total

By popular request, the workshop for commercial dairy goat farmers was repeated in November 2009. 130 farmers from all over the UK met for a guided tour of the modern unit in Dorset and listened to presentations on marketing, veterinary, milking and nutritional aspects of goat milk production. The Association has organised a similar event for November next year in Somerset

Open Days

A major open day organised by RABDF in conjunction with NMR and hosted by Nick Cobb was held on 18th June at West Chaldon Nr Dorchester to celebrate Nick Cobb and his team winning the 2008 RABDF / NMR Gold Cup Award. This was a very successful day attracting more than 650 farmers who were able to pick up useful tips from the presentations and tour of the farms.

An additional open day was held on the Gold Cup runner-up farm owned by Iain & Joyce McLean when more than 550 dairy farmers from throughout N Ireland and beyond travelled to Bushmills to one of the province's biggest ever farm open days

College Lecturer Training

The annual College Lecturers Training Day designed to keep College Lecturers up to date with the latest developments in the dairy and livestock industry, was again held in January. Over 20 lecturers from 16 colleges throughout the UK, attended the conference which was kindly hosted by Reading University. The programme which was extended to cover the beef and sheep sectors as well as dairy was followed by a visit to the impressive new dairy unit and research facilities at CEDAR.

Technical Information for Dairy Farmers

With the demise of Dairy Farmers of Britain, RABDF together with Lantra organised a series of training opportunities at the Dairy Event and Livestock Show, funded by the regional development agencies, One Northeast and Yorkshire Forward. These were designed for dairy farmers in the worst affected areas to receive more training on the technical aspects of dairy farming.

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2009

Membership

Members continued to take advantage of the new Membership benefit introduced last year, giving members access to free advice on electricity contracts and favourable rates, from a wide range of providers supported by FEC

The farm walks and open days provided some useful opportunities for RABDF to promote its membership, particularly in N Ireland

European Projects

The Association has again taken a strong lead this year in the Pathomilk Project, the development of a hand held multi-pathogen detector for milk, acting as co-ordinator for the Partners and assisting with the production of project dissemination literature RABDF also hosted an open day for the project's European Partners at NMR's facilities in Wolverhampton and organised visits to dairy farms to assess parlour hygiene and the practicalities of on farm use of a pathogen detector A working prototype was eventually developed before the project finished, thereby achieving the project's objective

The Association has also made a large contribution in the Geronimo Project, towards the development of a website to help European Dairy Farmers save energy costs This has included providing a large amount of technical input from the Association's Technical & Policy Advisor The website has attracted over 2,000 users and was praised by the EU as an exemplary project A competition for the RABDF Farm Energy Efficiency Award sponsored by GEA was also launched in July The winner was Stephen Temple, of Wighton, Norfolk who was commended for demonstrating the best energy savings on his 95 cow dairy unit

Additional technical information and news was provided to members via the newsletter Milk Digest and the organisation's website www.rabdf.co.uk

Representation

RABDF continues to represent British Dairy Farmers by responding to consultation documents and holding meetings with government and other organisations

Throughout the year we met with senior Defra and Shadow Cabinet officials to promote Clear Country of Origin Labelling on dairy products and to remove the ambiguity that surrounds the current labelling law This will increase consumer awareness of British products and drive increased demand within the dairy market These actions prompted much national media attention to the issue and resulted in a meeting with a major retailer to voice the concerns of British Dairy producers

Along with many consultations on issues such as dairy hygiene and veterinary medicines, the Association responded to the Defra consultation on implementing milk quota increases across the EU and provided information on the likely effect on UK producers

We engaged in numerous industry and government meetings to address the proposed Responsibility and Cost Sharing measures, which culminated in providing an in depth response to the consultation on its implementation, and we continue to take an active role in developing a workable solution for dairy producers

We met regularly with industry leaders to discuss a positive way forward for dealing with the major issue of bovine TB, which continues to restrict development of the dairy industry

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2009

Representation

The association was also invited to become members of the Dairy Supply Chain High Level Group task force and has provided a large amount of information to help steer the government's involvement in European expert discussions, ensuring that our members are not constrained by EU policy

The Association continues to act as Secretariat and Technical Advisor to the All Party Parliamentary Group for Dairy Farmers. Two meetings organised by RABDF were held with MPs during the year

Dairy House

The Association continues to rent accommodation at Stoneleigh Deer Park, Stareton, Kenilworth, Warwickshire. Information about the activities of the organisation is circulated to members of Council and employees on a weekly basis and regular staff meetings are held, at which employees are encouraged to give their suggestions and views on performance and strategy. Career development is assessed through annual appraisals and training programmes are provided to meet ongoing needs.

Financial Review

The Association's finances show a surplus of £52,634 compared with £26,769 in 2008. The Association's funds at 31st December 2009 stood at £1,051,323 compared with £882,961 at 31st December 2008.

Principal Funding Sources

Aside from income generated from investments and members subscriptions, the principal funding sources are farm walks, open days and events particularly the Dairy Event and Livestock Show.

Investment Policy

The trustees of the Association have considered the most appropriate policy for investing funds and have instructed our investment manager to seek a balanced portfolio based upon low risk investments with a bias towards income and some capital growth.

Reserves Policy

The Council has examined the Association's requirements for reserves in the light of the main risks to the organisation. The Association aims to hold financial reserves that cover one year's expenditure. At 31 December 2009 the Association held free reserves amounting to £1,051,323.

Plans for Future Periods

The association's main objectives for 2010 are to

- 1 Complete a successful transition of the Event from Stoneleigh Park to the NEC, and retain the majority of sponsors, exhibitors and visitors
- 2 Maintain investment capital and dividend income and achieve the annual budget

The Association plans to continue the activities outlined above in the forthcoming years subject to satisfactory performance of its main incoming resources.

These activities include

- 1 Continuing to represent the interests of dairy farmers with government and other organisations
- 2 Educating dairy farmers through technical farm walks & open days
- 3 Provision of training and advice for farmers at the Dairy Event and Livestock Show

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2009

- 4 Rewarding success & achievement in young people through the Dairy Student & Farm Health Planning Awards
- 5 Ensuring agricultural lecturers receive regular training by organising the annual College Lecturers Training Day
- 6 Promoting career opportunities for students in the livestock industry by running the Careers Day at the Event in conjunction with like minded organisations
- 7 Encouraging improvements in dairy farming by rewarding success through competitions ie Gold Cup & associated awards
- 8 Recognising significant personal contributions to the dairy industry through the Princess Royal Award
- 9 Promoting technical developments of benefit to farmers via the Prince Philip and Livestock Machinery & Equipment Awards

Public benefit

The trustees consider they have complied with their duty to have due regard to the guidance on public benefit, as published by the Charity Commission, in exercising their powers and duties.

Responsibilities of the Directors and Trustees

Company law requires the Directors and Trustees to prepare financial statements for each financial year which give a true and fair view of the state of the affairs of the Association as at the balance sheet date and of its incoming resources and application of resources, including income and expenditure, for the financial year. In preparing these financial statements, the Directors and Trustees should follow best practice and -

- select suitable accounting policies and then apply them consistently,
- make judgements and estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to assume the company will continue on that basis

The Directors and trustees are responsible for maintaining proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the financial statements comply with the Companies Act 2006. The Directors and Trustees are also responsible for safeguarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Members of the Council

Members of the Council who are directors for the purpose of company law and trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1

Statement as to disclosure of information to Auditors

So far as the Council is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the charitable company's auditors are unaware, and each council member has taken all the steps that they ought to have taken as a Council member in order to make them aware of any audit information and to establish that the charitable company's auditors are aware of that information

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2009

Auditors

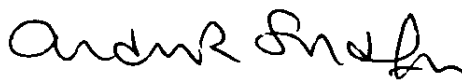
A resolution to re-appoint Dafferns LLP as the company's auditor will be proposed at the forthcoming annual general meeting

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

Approved by the Council on 16th June 2010 and signed on its behalf by



Mr D W Cotton - Chairman



Mr A R Snodgrass - Hon Treasurer

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

We have audited the financial statements of The Royal Association of British Dairy Farmers for the year ended 31st December 2009 on pages 12 to 19. The financial statements have been prepared under the accounting policies set out therein and the requirements of the Financial Reporting Standard for Smaller Entities (effective April 2008).

This report is made solely to the charitable company's trustees, as a body, in accordance with Section 43 of the Charities Act 1993 and regulations made under section 44 of that Act. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an auditor's 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 charitable company and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees' (who are also the directors of the charitable company for the purposes of company law) responsibilities for preparing the Report of the Council and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) and for being satisfied that the financial statements give a true and fair view are set out on page 8.

The trustees have elected for the financial statements to be audited in accordance with the Charities Act 1993 rather than the Companies Act 2006. Accordingly we have been appointed as auditors under section 43 of the Charities Act 1993 and report in accordance with section 44 of that Act.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the information given in the Report of the Council is not consistent with those financial statements, if the charitable company has not kept adequate accounting records, if the charitable company's financial statements are not in agreement with the accounting records and returns, or if we have not received all the information and explanations we require for our audit.

We read the Report of the Council and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charitable company's circumstances, consistently applied and adequately disclosed.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS**

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities, of the state of the charitable company's affairs as at 31st December 2009 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended, and
- the financial statements have been prepared in accordance with the Companies Act 2006

Dafferns LLP

Dafferns LLP,
Chartered Accountants
Registered Auditors,
Warwick House,
32 Clarendon Street,
Leamington Spa,
Warwickshire,
CV32 4PG

16th June 2010

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31st DECEMBER 2009

	Unrestricted funds	
	2009	2008
	£	£
INCOMING RESOURCES		
Voluntary income		
Donations	475	1,815
Activities to generate funds		
Investment income and interest earned	34,560	50,294
Charitable activities		
Membership subscriptions	53,710	42,250
Conference, events and awards	817,055	718,033
European projects	<u>46,886</u>	<u>36,432</u>
Total incoming resources	<u>952,686</u>	<u>848,824</u>
RESOURCES EXPENDED		
Costs of generating funds		
Investment brokers fees	4,753	4,745
Charitable activities		
Membership costs	12,323	11,421
Conference, events and awards	630,528	562,655
Public relations and marketing	9,408	15,044
Policy adviser's remuneration/expenses	10,335	8,135
Director training project	-	37
European projects	29,014	41,466
Support costs		
Staff salaries, national insurance and pensions	126,647	107,365
Chief executive costs	9,307	7,935
Property costs	22,151	21,334
Administration costs	18,692	17,703
Bank charges and interest	10	2,268
Miscellaneous	1,426	1,249
Legal and professional	5,703	3,785
Exchange rate fluctuation	(3,494)	-
Depreciation	3,668	2,021
Governance costs		
Audit and accountancy	4,500	3,750
Council members' expenses and meeting costs	<u>15,081</u>	<u>11,142</u>
Total resources expended	<u>900,052</u>	<u>822,055</u>

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

**STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31st DECEMBER 2009**

	Note	Unrestricted funds 2009 £	2008 £
Incoming resources	1	952,686	848,824
Resources expended		<u>900,052</u>	<u>822,055</u>
Net incoming resources		52,634	26,769
Realised (losses) on investments		<u>(7,530)</u>	<u>(17,388)</u>
Surplus / (Deficit) for the year		45,104	9,381
Unrealised gains / (losses) on investments		<u>123,258</u>	<u>(249,179)</u>
Net movement in funds		168,362	(239,798)
Fund balances at 1st January 2009		<u>882,961</u>	<u>1,122,759</u>
Fund balances at 31st December 2009		<u><u>1,051,323</u></u>	<u><u>882,961</u></u>

The notes on pages 16 to 19 form an integral part of these financial statements

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS
(Company number – 13393)

BALANCE SHEET AS AT 31st DECEMBER 2009

	Note	2009	2008
		£	£
Fixed assets			
Investments	5	1,035,529	922,296
Tangible assets	6	<u>8,324</u>	<u>5,540</u>
		1,043,853	927,836
Current assets			
Debtors	7	55,421	22,661
Cash at bank and in hand		<u>45,183</u>	<u>17,105</u>
		100,604	39,766
Current liabilities			
Creditors - amounts falling due within one year	8	<u>93,134</u>	<u>84,641</u>
Net current assets / (liabilities)		<u>7,470</u>	<u>(44,875)</u>
Net assets		<u>1,051,323</u>	<u>882,961</u>
Financed by			
Reserves	9	<u>1,051,323</u>	<u>882,961</u>

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS
(Company number – 13393)

BALANCE SHEET AS AT 31st DECEMBER 2009 (continued)

The charitable company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31st December 2009

The members have not deposited notice, pursuant to Section 476 of the Companies Act 2006 requiring an audit of these financial statements

The Council acknowledge their responsibilities for

- a) ensuring that the charitable company keeps accounting records that comply with Sections 386 and 387 of the Companies Act 2006 and
- b) preparing financial statements which give a true and fair view of the state of affairs of the charitable company as at the end of each financial year and of its surplus or deficit for each 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 financial statements, so far as applicable to the charitable company

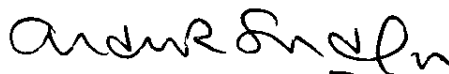
These financial statements have been audited under the requirements of Section 43 of the Charities Act 1993

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The financial statements were approved by the Council on 16th June 2010 and were signed on its behalf by



Mr D W Cotton - Chairman



Mr A R Snodgrass - Hon Treasurer

The notes on pages 16 to 19 form an integral part of these financial statements

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2009

1. Accounting policies

Accounting convention

The financial statements have been prepared under the historical cost convention, as modified for the revaluation of certain fixed assets, and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008), the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities

Incoming resources

All incoming resources are included in the statement of financial activities when the charity is entitled to the income and the amount can be quantified with reasonable accuracy. Gross income is stated net of value added tax. Membership subscriptions receivable are apportioned over the period to which they relate.

Resources expended

Expenditure is accounted for on an accruals basis.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

	Rate	Method
Office furniture and fittings	25%	Reducing balance
Computer equipment	33%	Straight line
Stoneleigh - store, furniture and fittings		Already written off

Investments

Investments are stated in the balance sheet at market value in accordance with the SORP. Movements in market value are shown on the statement of financial activities. Cash held by Investment Managers pending reinvestment is treated as being part of total investments.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of receipt. Exchange differences are taken into account in arriving at the operating result.

Operating leases

Rentals paid under operating leases are charged to the Statement of Financial Activities as incurred.

Pensions

The Association operates defined contribution pension schemes. Contributions payable during the period are charged in the profit and loss account, and amounted to £22,058 (2008 £16,414). The assets of these schemes are held separately from those of the Association in independently administered funds.

Fund accounting

Unrestricted funds can be used in accordance with the charitable objectives at the discretion of the trustees. All the Association's funds are unrestricted.

continued

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2009

2. Net income

	2009 £	2008 £
This is stated after charging / (crediting) the following		
Depreciation of tangible fixed assets	3,668	2,021
Operating lease costs	28,419	26,467
Auditors remuneration	2,500	2,250
Accountancy services	<u>2,000</u>	<u>1,500</u>

3. Trustee remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31st December 2009 nor for the year ended 31st December 2008

Trustees' expenses

Reimbursed travel expenses	<u>10,922</u>	<u>8,671</u>
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4. Staff numbers and costs

The average weekly number of persons employed by the Association during the year was

Administration	<u>7</u>	<u>6</u>
Staff costs were		
Salaries	209,504	180,351
Social security costs	21,731	17,362
Other pension costs	<u>22,058</u>	<u>16,414</u>
	<u>£253,293</u>	<u>£214,127</u>

Number of employees with emoluments over £60,000
£60,001 - £70,000

<u>1</u>	<u>=</u>
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5. Investments

Opening balance of investments held at 1 1 09	897,722	1,138,983
Purchases at cost	342,112	89,546
Sales proceeds	(340,813)	(64,240)
Realised (losses) on sales	(7,530)	(17,388)
Unrealised gains / (losses) on revaluation	<u>123,258</u>	<u>(249,179)</u>
Closing balance of investments held at 31 12 09 (all quoted on a recognised stock exchange)	1,014,749	897,722
Cash held by investment managers for reinvestment	<u>20,780</u>	<u>24,574</u>
	<u>1,035,529</u>	<u>922,296</u>

At 31.12.09	
Cost	Valuation
<u>894,151</u>	<u>1,035,529</u>

At 31.12.08	
Cost	Valuation
<u>872,521</u>	<u>922,296</u>

continued

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2009

6. Tangible fixed assets

	Computer Equipment £	Office Furniture & Fittings £	Storage, Furniture & Fittings £	Total £
Cost				
As at 1 1 09	41,958	38,952	3,114	84,024
Additions	<u>4,936</u>	<u>1,516</u>	<u>-</u>	<u>6,452</u>
As at 31 12 09	<u>46,894</u>	<u>40,468</u>	<u>3,114</u>	<u>90,476</u>
Depreciation				
As at 1 1 09	40,924	34,446	3,114	78,484
Provision for year	<u>2,163</u>	<u>1,505</u>	<u>-</u>	<u>3,668</u>
As at 31 12 09	<u>43,087</u>	<u>35,951</u>	<u>3,114</u>	<u>82,152</u>
Net book value				
As at 31 12 09	<u>3,807</u>	<u>4,517</u>	<u>-</u>	<u>8,324</u>
As at 31 12 08	<u>1,034</u>	<u>4,506</u>	<u>-</u>	<u>5,540</u>

The Association's challenge cups are not included in the tangible fixed assets
They were professionally valued at £161,140 on 21st October 2008

7. Debtors

	2009 £	2008 £
Debtors on ordinary activities	39,501	4,756
Other debtors	4,589	5,375
Prepayments	<u>11,331</u>	<u>12,530</u>
	<u>55,421</u>	<u>22,661</u>

8. Creditors: amounts falling due within one year

Bank overdraft	-	2,542
Creditors on ordinary activities	54,720	51,743
Income received in advance	6,351	5,535
Social security	10,150	8,304
Value added tax	11,569	10,167
Accruals	<u>10,344</u>	<u>6,350</u>
	<u>93,134</u>	<u>84,641</u>

9. Reserves - General Fund – unrestricted fund

Balance at 1st January 2009	882,961	1,122,759
Net income for the year	52,634	26,769
Investment revaluation	<u>115,728</u>	<u>(266,567)</u>
Balance at 31st December 2009	<u>1,051,323</u>	<u>882,961</u>

continued .

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2009

10. Commitments

Capital commitments

	2009	2008
Commitments for capital expenditure at the end of the year were as follows		
Authorised and contracted for	<u>-</u>	<u>-</u>

11. Operating lease commitments

The following payments are committed to be paid within one year

Leasehold property – within one year	16,315	-
Leasehold property – between two and five years	-	15,736
Other assets - within one year	717	-
Other assets - between two and five years	<u>-</u>	<u>2,867</u>

12. Related party transactions

There were no material related party transactions during the year (2008 £nil)