

**REGISTRARS COPY**

REGISTERED NUMBER: 00013393



**REGISTRARS COPY**

**THE ROYAL ASSOCIATION OF**

**BRITISH DAIRY FARMERS**

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

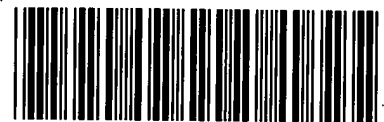
Patron: Her Majesty The Queen

**REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31st DECEMBER 2015**

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COMPANIES HOUSE

Dafferns LLP

Chartered Accountants & Business Advisers

# THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

## REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2015

The Council presents its report and the audited financial statements for the year ended 31st December 2015.

### Reference and administration information

Charity name:	The Royal Association of British Dairy Farmers
Charity known as:	RABDF
Charity registration number:	213782
Company registration number:	00013393
Registered office and Operational address:	Dairy House Unit 31, Abbey Park Stareton Kenilworth Warwickshire CV8 2LY

### Council of Management and Directors

Mr P T P Allin	appointed 6.5.15
Mr P J Alvis	appointed 6.5.15
Mr J Brierley	appointed 3.2.16
Mr D L Davies	resigned 5.5.15
Mr T Downes	appointed 3.2.16
Mr L R C Edwards	
Mrs M M Hall	resigned 4.2.15
Mr M P King	
Mr J D Leaver	
Mr I K G Macalpine	
Mr I J McLean	
Mr J M Owen	
Mr A R Snodgrass	resigned 3.2.16
Mr G Trehane	
Mrs D Wastenage	appointed 3.2.16
Mr W Westacott	
Mr W H Whiteford	
Mr A A Wielkopolski	resigned 3.2.16
Mr K E Wonnacott	appointed 5.5.15

#### President

Prof D Leaver

#### Chairman

Mr M P King

#### Vice Chairman

Mr P J Alvis

## THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

### REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2015

#### **Chief Executive and Company Secretary**

Mr N Everington

#### **Auditors**

Dafferns LLP, Chartered Accountants, One Eastwood, Harry Weston Road, Binley Business Park, Coventry, CV3 2UB

#### **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 quarter 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. At least three members of the Council 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 and Chief Executive on their obligations as Council Members and the future plans and objectives of the Association at a meeting held prior to the date of the first meeting in the year their appointment commences.

#### Organisational structure and how decisions are made

The Council of Management consists of a President, Chairman, twelve 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 four years. Co-opted Trustees are appointed by the Board of Trustees and hold office until the close of the following Annual General Meeting.

Trustees meet at least four 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 ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

### REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2015

#### Organisational structure and how decisions are made

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

#### 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 Livestock Event run each year. The primary risks facing the charity here are due to the vagaries of the dairy market in particular farm gate milk prices, 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 Livestock Event.

#### **Objectives and Activities**

The Association's charitable aims and objectives are to encourage the development of a successful, sustainable and profitable dairy farming sector in the UK by maintaining its activities involved with:

- Educating dairy farmers and stockmen through farm walks, open days and conferences.
- Provision of training and advice for farmers at the Livestock Event.
- Implementing high welfare standards for the showing of dairy cows at the event.
- Promoting high health and welfare standards through the work of CHeCS.
- Persuading influencers to accept the concept of well-run dairy farms irrespective of size.
- Promoting the sale of dairy products made with British milk and encouraging exports.
- Providing space and infrastructure for the showing of dairy cattle at the Livestock Event.
- Rewarding young people with the Dairy Student & Farm Health Management Awards.
- Training agricultural lecturers by organising the College Lecturers Training Day.
- Promoting career opportunities for students in the livestock industry.
- Encouraging new entrants by organising the Entrepreneurs in Dairying Courses
- Recognising excellence through competitions i.e. Gold Cup.
- Working with others to introduce a national CPD system for dairy farmers.
- Recognising significant contributions to the industry through Princess Royal's Award.
- Promoting technical developments via Prince Philip, Machinery & Equipment Awards.
- Encouraging innovation and knowledge transfer by supporting Dairy Science Forum.
- Supporting farmers in need by assisting farming charities with funding & awareness.
- Helping farmers with robotic milkers and women in dairy establish their respective groups.

## THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

### REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2015

#### Objectives and Activities (continued)

To achieve the charitable aims of the association by meeting the following objectives:

1. To minimise the budgeted deficit in 2015 and develop a business plan to bring the Association to breakeven in 2016.

The Association made an overall deficit of £265,467 against a budgeted deficit of £170,000. This can be partly accounted for by unrealised losses of £27,761 on investments. However the major deficit on ordinary activities of £237,753, can be accounted for by a lower than budgeted income from Conference, Events and Awards.

Other factors negatively affecting net movement of funds were:

- Investment Income £3,690 lower than budgeted.
- Membership Income £3,953 below budget.

Total expenditure for the Association was £49,254 below budget mainly due to savings made in Livestock Event costs.

2. Successfully manage the sales, marketing, promotion and logistics of SALTEX 2015 at its new venue and date through RABDF Events Ltd

SALTEX 2015 held at The NEC Birmingham in November 2015 was an overwhelming success with increased stand space sales and visitor numbers over the previous year's event at Windsor.

3. Maintain Annual Membership at 750 members, retain 27 Corporate Members and develop a new "Women in Dairy Group" to increase membership by 50.

Membership at year end totalled 795 of which 700 were annual. Corporate membership dropped to 24 and the new Women in Dairy Group enrolled 15 members. Membership continues to be adversely affected by the decline in total dairy farmer numbers in the UK which totalled 484 for 2015.

4. Develop a new membership category for farmers with milking robots called RABDF Robotic Milkers Group and gain 50 members in its first year.

Although there was considerable interest initially in this new group, just 14 members were obtained, again not helped by low farm gate prices and the effect on farm incomes and expenditure.

5. Attend all relevant meetings to represent the views of RABDF's membership.

The Association's Chairman attended numerous meetings during 2015 to represent the interests of dairy farmers and the views of the Association. The Association's Policy Director also responded to all relevant consultations on behalf of its members.

## THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

### REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2015

#### Objectives and Activities (continued)

6. From the complimentary ticket offer continue to build a data base of dairy, beef and sheep farmers which record a minimum of 50% of email addresses to enable future contact and pre event promotion.

All pre-event registrations necessitated an email address to receive advance tickets which accounted for 49% of registrations which together with email addresses recorded on the gate meant the 50% target was exceeded.

7. Exceed budgeted stand space income

This was not achieved due to substantially reduced marketing spend on events by the supply trade resulting from low farm gate milk prices and increased competition from other events in an overcrowded market.

8. Maximise sales of additional tickets to farmers on the back of the complimentary ticket offer and exceed budgeted ticket sales.

Ticket sales exceeded budget by 43%.

9. Maintain investment capital and dividend income.

Investment income and interest earned was up on the previous year but fell short of budget by £3,690. Realised gains and unrealised losses on investments reduced investment capital by £27,714.

10. Prepare a business plan for a new RABDF income generator for 2016.

The Association secured a contract to deliver the sales and marketing for SALTEX, the Sports Amenities Landscaping Trade Exhibition in 2016.

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

#### Livestock 2015

The Association continues to benefit from strong support from the supply industry. Surveys conducted with exhibitors and visitors on the 2015 Event showed that 79% were happy with the number of enquiries received and 95% were satisfied with the quality of enquiries.

80% of visitors rate the Livestock Event as good to excellent and 81% found the products they were looking for.

The vast majority, 70% + of the event's visitors, work on the farm indicating that the Association continues to fulfil the objects for which it was established. A detailed event survey of approx 300 companies across all sectors supplying the livestock industry showed that the event was rated No1 for orders, quantity & quality of leads, it had 94% coverage of the UK & Eire, 91% of visitors rated it good to excellent and it was being held at the best venue taking into consideration all factors.

## THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

### REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2015

#### Objectives and Activities (continued)

##### Farm Walks

Two Milking Grass For Profit farm walks were organised by RABDF in the spring of 2015, one in Mold, North Wales and the other in Lydney, Gloucestershire. Both were organised in association with the British Grassland Society and DairyCo, and were again extremely popular.

Building on a successful 2014, we continued our National Youngstock Farm Walks with one held in the spring of 2015 at Northop in Flintshire and two others in the autumn, one near Torrington in Devon and the other near Blackburn in Lancashire. All were well attended showing there is still a keen interest in this aspect of dairy farming.

##### Open Days

A major open day organised by RABDF in conjunction with NMR and hosted by the Michael Eavis was held in early May at Worthy Farm, Pilton near Shepton Mallet in Somerset. Home of the famous Glastonbury Festival, this event attracted a record crowd of 1,300 visitors who were able to pick up some useful tips from the speakers at stations spread around the farm. The Pyramid stage provided a welcome shelter from the heavy rain and the tractor bus to the dairy unit was very popular.

##### College Lecturer Training

Twelve delegates representing eight agricultural colleges located throughout the UK from were brought up to speed with the latest developments in the sector at the 2015 annual College Lecturers' Training Day at Lantra House, Stoneleigh Park, Warwickshire. The event, specifically designed for agricultural lecturers, featured a series of presentations examining the current challenges facing the dairy and livestock industry.

##### National Herdsman's Conference

In recognition of the huge contribution herd managers make to the dairy farming industry, RABDF continues to co-sponsor the National Herdsman's Conference organised by LKL Services Ltd.

##### Entrepreneurs in Dairy

The training programme for young people working in the dairy industry aimed at those wishing to own their own dairy farms, share farm or form joint ventures was repeated in 2015. This is a joint initiative between stakeholders; RABDF, DairyCo, NFU and The Anderson Centre, with RABDF responsible for organisation. The courses comprising 8 evening sessions and a two day finance course, were held over 12 weeks at; Cannington, Newton Rigg, Reaseheath and Gelli Aur Colleges in the autumn of 2015. Feedback from the 45 students was very positive and plans are in place to repeat the courses at Cannington, Newton Rigg and Reaseheath but move to N Wales to Llysfas and Glynllifon in 2016.

##### Membership

Members continue to take advantage of the range of membership benefits on offer from the Association and the farm walks and open days provide useful opportunities for RABDF to engage with its existing members and promote membership to new contacts

## THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

### REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2015

#### Objectives and Activities (continued)

##### All Party Parliamentary Group – Dairy

The Dairy All-Party Parliamentary Group, for which RABDF is the joint secretariat with Dairy UK, continues to promote informed debate on the British dairy industry in Parliament and supports the development of a sustainable and profitable industry in the UK. This cross party group has heard evidence from witnesses covering dairy nutrition over a series of seminars during the autumn and winter of 2015. A report was published in Spring 2016 entitled "Putting dairy back on the daily menu" with the objective of using this report to influence the Department of Health, food nutritionists and other institutions that advise on consumption of dairy products.

##### Representation

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

The Association also maintains an active involvement with many groups amongst which are; DairyUK Farmers Forum, All Party Parliamentary Group for Cheese, DEFRA TB Stakeholders Group, Dairy 2020 Strategy Group, Dairy Road Map, Environmental Plan for Dairy Farming, Cattle Health & Welfare Group and RUMA

RABDF also continues to manage administration for Cattle Health Certification Standards (CHECS) the self-regulating body for eleven cattle health schemes in the British Isles, which provides monitoring, control and eradication of the four most important non statutory diseases in beef and dairy herds; BVD, IBR, Leptospirosis and Johne's.

RABDF meets regularly with industry leaders to discuss a positive way forward for dealing with the major issue of bovine TB, which is restricting development of the dairy industry.

##### Dairy House

The Association continues to rent accommodation at Abbey Park, Stareton, Kenilworth, Warwickshire. Information about the activities of the organisation is circulated to members of Council and employees on a monthly basis.

Regular meetings are held with employees who are also 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 on-going needs.

#### Financial Review

The Association's finances show a deficit, after losses on investments, of £265,467 compared with a deficit of £175,720 in 2014.

The Association's funds at 31st December 2015 stood at £763,212 compared with £1,028,679 at 31st December 2014.

##### Principal Funding Sources

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



## THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

### REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2015

#### Financial Review (continued)

##### 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 to medium 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 three month's expenditure. At 31st December 2015 the Association held free reserves amounting to £763,212.

#### Plans for Future Periods

RABDF aims to encourage the development of a successful, sustainable and profitable dairy farming sector in the UK by maintaining its activities involved with:

- Educating dairy farmers and stockmen through farm walks, open days and conferences.
- Provision of training and advice for farmers at the Livestock Event.
- Implementing high welfare standards for the showing of dairy cows at the event.
- Promoting high health and welfare standards through the work of CHeCS.
- Persuading influencers to accept the concept of well-run dairy farms, irrespective of size.
- Promoting the sale of dairy products made with British milk and encouraging exports.
- Providing space and infrastructure for the showing of dairy cattle at the Livestock Event.
- Rewarding young people with the Dairy Student & Farm Health Management Awards.
- Encouraging new entrants by organising the "Entrepreneurs in Dairying" Courses.
- Recognising excellence through competitions i.e. Gold Cup.
- Working with others to promote the DairyPro CPD system for dairy farmers.
- Recognising significant contributions to the industry through Princess Royal's Award.
- Promoting technical developments via Prince Philip, Machinery & Equipment Awards.
- Encouraging innovation and knowledge transfer by supporting Dairy Science Forum.
- Supporting farmers in need by assisting farming charities with funding & awareness.
- Helping farmers with robotic milkers and women in dairy establish their respective groups.

## **THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS**

### **REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2015**

#### **Plans for Future Periods (continued)**

To achieve the charitable aims of the society by meeting the following business objectives:

- To minimise the budgeted deficit in 2016 and develop a business plan to bring the association to break even in 2017.
- Successfully manage the sales, marketing, promotion and logistics of SALTEX 2016 to exceed the budgeted stand space and sponsorship revenues
- To achieve the budgeted stand space and sponsorship income for the Livestock Event in a depressed agricultural market.
- By introducing free entry for all visitors, increase attendance by 10% in a declining market for livestock farmers
- Maintain membership at current levels by gaining as many members as are lost each year through dairy farmers going out of business.
- Attend all relevant meetings to represent the views of RABDF's membership.
- Maintain investment capital and dividend income.
- Prepare a business plan for the Livestock Event for 2017 onwards.

#### **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**

The trustees (who are also the directors of The Royal Association of British Dairy Farmers for the purposes of company law) are responsible for preparing the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice.

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing those financial statements, the trustees are required to:-

- select suitable accounting policies and then apply them consistently;
- observe the methods and principals in the Charities SORP 2015 (FRSSE);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charitable company will continue in operation.

## THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

### REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2015

#### Responsibilities of the Directors and Trustees (continued)

The directors and trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the charitable 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 charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

- there is no relevant audit information of which the charitable company's auditor is unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### 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 trustees are aware, there is no relevant audit information of which the charitable company's auditors are unaware, and the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

#### Auditors

The auditors, Dafferns LLP, will be proposed for re-appointment 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 24th May 2016 and signed on its behalf by:



Mr M P King - Chairman



Mr J Brierley - Hon Treasurer

## **INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES 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 2015 on pages 13 to 21. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective January 2015) (United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities).

This report is made solely to the charitable company's trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. 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 auditor**

As explained more fully in the Trustees' Responsibilities Statement set out on page 10, the trustees (who are also the directors of the Association for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

We have been appointed auditor under section 151 of the Charities Act 2011 and report in accordance with this Act.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and their parent charitable company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the report of the Council to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially consistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

**INDEPENDENT AUDITOR'S REPORT TO THE TRUSTEES OF  
THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS**

**Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent charitable company's affairs as at 31st December 2015 , and of the group's incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (applicable to smaller entities); and
- have been prepared in accordance with the requirements of the Charities Act 2011.

**Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Report of the Council is inconsistent in any material respect with the financial statements; or
- the charitable company has not kept adequate accounting records; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for an audit

*Dafferns LLP*

Dafferns LLP,  
Chartered Accountants,  
Statutory Auditor,  
Eligible to act as an auditor in terms of section 1212 of the Companies Act 2006,  
One Eastwood,  
Harry Weston Road,  
Binley Business Park,  
Coventry,  
CV3 2UB

25th May 2016

**THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS**  
(REGISTERED NUMBER: 00013393)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31st DECEMBER 2015**

	<b>Unrestricted funds</b>	
	<b>2015</b>	<b>2014</b>
	<b>£</b>	<b>£</b>
<b>INCOMING RESOURCES</b>		
Donations	82	137
Investment income and interest earned	32,338	28,409
<b>Charitable activities</b>		
Membership subscriptions	39,660	40,660
Conference, events and awards	963,930	1,160,509
Dairy fund FFC	9,601	206,790
Management charges	5,000	-
<b>Total incoming resources</b>	<u>1,050,611</u>	<u>1,436,505</u>
<b>RESOURCES EXPENDED</b>		
Investment brokers fees	4,323	5,398
<b>Charitable activities</b>		
Membership costs	6,929	5,995
Conference, events and awards	923,941	1,052,374
Public relations and marketing	12,881	5,982
Policy adviser's remuneration/expenses	13,153	13,669
Dairy fund FFC	558	167,186
European projects	-	15,472
Support costs, not allocated:		
Staff salaries, national insurance and pensions	203,448	206,286
Chief executive costs	9,702	9,987
Property costs	27,178	27,130
Administration costs	31,408	37,134
Bank charges and interest	5,332	6,526
Miscellaneous	2,338	474
Legal and professional	11,068	4,570
Exchange rate fluctuation	772	493
Depreciation	5,402	7,651
<b>Governance costs</b>		
Audit and accountancy	9,900	9,335
Council members' expenses and meeting costs	20,031	13,446
<b>Total resources expended</b>	<u>1,288,364</u>	<u>1,589,108</u>

**THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS**  
**(REGISTERED NUMBER: 00013393)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES**  
**INCORPORATING AN INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31st DECEMBER 2015**

	Note	Unrestricted funds 2015 £	2014 £
<b>Incoming resources</b>	1.	1,050,611	1,436,505
<b>Resources expended</b>		<u>1,288,364</u>	<u>1,589,108</u>
<b>Net (outgoing) resources</b>		(237,753)	(152,603)
Realised gains / (losses) on investments		<u>47</u>	<u>(3,725)</u>
<b>(Deficit) for the year</b>		(237,706)	(156,328)
Unrealised gains / (losses) on investments		<u>(27,761)</u>	<u>(19,392)</u>
<b>Net movement in funds</b>		(265,467)	(175,720)
<b>Fund balances at 1st January 2015</b>		<u>1,028,679</u>	<u>1,204,399</u>
<b>Fund balances at 31st December 2015</b>		<u><u>763,212</u></u>	<u><u>1,028,679</u></u>

The notes on pages 17 to 21 form an integral part of these financial statements

**THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS**  
(REGISTERED NUMBER: 00013393)

**CONSOLIDATED BALANCE SHEET AS AT 31st DECEMBER 2015**

	Note	2015	2014
		£	£
<b>Fixed assets</b>			
Investments	5.	703,073	1,087,084
Tangible assets	6.	<u>7,350</u>	<u>11,166</u>
		710,423	1,098,250
<b>Current assets</b>			
Debtors	7.	145,881	502,683
Cash at bank and in hand		<u>35,442</u>	<u>86,808</u>
		181,323	589,491
<b>Current liabilities</b>			
Creditors - amounts falling due within one year	8.	<u>128,534</u>	<u>659,062</u>
<b>Net current assets</b>		<u>52,789</u>	<u>(69,571)</u>
<b>Net assets</b>		<u>763,212</u>	<u>1,028,679</u>

Financed by:

<b>Reserves</b>	9.	<u>763,212</u>	<u>1,028,679</u>
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For the year ended 31st December 2015, the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies, but as this company is a charity, it is subject to audit under the Charities Act 2011.

Directors' responsibilities:

- a) The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 and
- b) The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of the accounts.

These financial statements have been prepared in accordance with the special provisions of Part 15 of the Companies Act relating to small charitable companies and with the Financial Reporting Standard for Smaller Entities (effective January 2015).

The financial statements were approved by the Council on 24th May 2016 and were signed on its behalf by:



Mr M P King - Chairman



Mr J Brierley - Hon Treasurer

The notes on pages 17 to 21 form an integral part of these financial statements.



**THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS**  
(REGISTERED NUMBER: 00013393)

**BALANCE SHEET AS AT 31st DECEMBER 2015**

	Note	2015		2014	
		£	£	£	£
<b>Fixed assets</b>					
Investments	5.		703,075		1,087,086
Tangible assets	6.		<u>7,350</u>		<u>11,166</u>
			710,425		1,098,252
<b>Current assets</b>					
Debtors	7.	199,189		184,847	
Cash at bank and in hand		<u>8,556</u>		<u>7,895</u>	
		207,745		192,742	
<b>Current liabilities</b>					
Creditors - amounts falling due within one year	8.	<u>154,958</u>		<u>262,315</u>	
<b>Net current assets</b>			<u>52,787</u>		<u>(69,573)</u>
<b>Net assets</b>			<u>763,212</u>		<u>1,028,679</u>

Financed by:

<b>Reserves</b>	9.	<u>763,212</u>	<u>1,028,679</u>
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# THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2015

### 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 January 2015), the Companies Act 2006 and the requirements of the Charities SORP 2015 (FRSSE).

#### 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.

The following support costs have been allocated to Conference, events and awards, in respect of the annual Dairy Event and Livestock Show:

Staff salaries, national insurance and pensions - 50%

Chief executive costs - 50%

Administration costs - 80% of printing and stationery

#### 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
Event equipment	20%	Straight line

#### 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.

# THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2015

### 1. Accounting policies (continued)

#### Pensions

The Association operates defined contribution pension schemes. Contributions payable during the period are charged in the statement of financial activities, and amounted to £29,997 (2014 £35,083). 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.

#### Related company and consolidation

The company owns 100% of the issued ordinary share capital of RABDF Events Ltd and Farming Events Limited (both companies incorporated in the United Kingdom). The results of RABDF Events Ltd and Farming Events Limited have been consolidated with The Royal Association of British Dairy Farmers in accordance with the SORP.

### 2. Net income

	2015 £	2014 £
This is stated after charging / (crediting) the following:		
Depreciation of tangible fixed assets	5,402	7,651
Operating lease costs	32,729	36,069
Auditors' remuneration	3,000	3,000
Accountancy and other services	<u>6,900</u>	<u>6,335</u>

### 3. Trustee remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31st December 2015, nor for the year ended 31st December 2014.

#### Trustees' expenses

Reimbursed travel expenses	<u>11,718</u>	<u>9,288</u>
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# THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2015

### 4. Staff numbers and costs

	2015 £	2014 £
The average weekly number of persons employed by the Association during the year was:		
Administration	<u>11</u>	<u>11</u>
Staff costs were:		
Salaries	313,555	335,333
Social security costs	34,360	36,012
Redundancy costs	25,275	-
Pension and insurance costs	<u>33,706</u>	<u>41,227</u>
	<u>406,896</u>	<u>412,572</u>
Number of employees with emoluments over £60,000: £80,001 - £90,000	<u>1</u>	<u>1</u>

### 5. Investments

Opening balance of investments held at 1.1.2015	1,068,451	1,115,724
Purchases at cost	210,454	461,195
Sales proceeds	(562,651)	(485,351)
Realised gains / (losses) on sales	47	(3,725)
Unrealised gains / (losses) on revaluation	<u>(27,761)</u>	<u>(19,392)</u>
Closing balance of investments held at 31.12.2015 (all quoted on a recognised stock exchange)	688,540	1,068,451
Cash held by investment managers for reinvestment	<u>14,533</u>	<u>18,633</u>
<b>The group</b>	703,073	1,087,084
Shares in subsidiaries	<u>2</u>	<u>2</u>
<b>The company</b>	<u>703,075</u>	<u>1,087,086</u>

At 31.12.2015		At 31.12.2014	
Cost	Valuation	Cost	Valuation
<u>612,324</u>	<u>703,075</u>	<u>929,868</u>	<u>1,087,086</u>

#### Shares in subsidiaries

Name: Farming Events Limited

Nature of business: Dormant

Class of shares: Ordinary - Holding: 100%

Aggregate capital and reserves

Profit for the year

1	1
<u>-</u>	<u>-</u>

Name: RABDF Events Ltd

Nature of business: Holding events

Class of shares: Ordinary - Holding: 100%

Aggregate capital and reserves

Profit for the year

1	1
<u>-</u>	<u>-</u>

# THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2015

### 6. Tangible fixed assets

The group and the company	Computer Equipment £	Office Furniture & Fittings £	Event Equipment £	Total £
<b>Cost</b>				
As at 1.1.2015	59,450	45,496	13,676	118,622
Additions	<u>1,586</u>	<u>-</u>	<u>-</u>	<u>1,586</u>
As at 31.12.2015	<u>61,036</u>	<u>45,496</u>	<u>13,676</u>	<u>120,208</u>
<b>Depreciation</b>				
As at 1.1.2015	57,977	41,274	8,205	107,456
Provision for the year	<u>1,612</u>	<u>1,055</u>	<u>2,735</u>	<u>5,402</u>
As at 31.12.2015	<u>59,589</u>	<u>42,329</u>	<u>10,940</u>	<u>112,858</u>
<b>Net book value</b>				
As at 31.12.2015	<u>1,447</u>	<u>3,167</u>	<u>2,736</u>	<u>7,350</u>
As at 31.12.2014	<u>1,473</u>	<u>4,222</u>	<u>5,471</u>	<u>11,166</u>

The Association's challenge cups are not included in the tangible fixed assets. They were professionally valued at £161,140 on 21st October 2014.

### 7. Debtors

	2015		2014	
	The group £	The company £	The group £	The company £
Trade debtors	16,975	11,909	447,628	129,070
Prepayments	11,061	11,061	51,280	10,911
Value added tax	114,076	-	-	41,091
Amounts owed by group company	-	172,450	-	-
Other debtors	<u>3,769</u>	<u>3,769</u>	<u>3,775</u>	<u>3,775</u>
	<u>145,881</u>	<u>199,189</u>	<u>502,683</u>	<u>184,847</u>

### 8. Creditors: amounts falling due within one year

Bank overdrafts and loans	-	-	27,282	27,282
Trade creditors	29,640	25,787	150,536	35,629
Income received in advance	52,361	14,659	346,222	20,534
Social security	8,574	8,574	6,896	6,896
Value added tax	-	71,557	5,135	-
Amounts owed to group company	-	-	-	66,561
Other creditors and accruals	<u>37,959</u>	<u>34,381</u>	<u>122,991</u>	<u>105,413</u>
	<u>128,534</u>	<u>154,958</u>	<u>659,062</u>	<u>262,315</u>

### 9. Funds

All funds are unrestricted.

# THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2015

### 10. Operating lease commitments

The company has the following payments committed to be paid within one year:

	2015 £	2014 £
Expiring:		
Within one year	20,449	20,449
Between one and five years	<u>379</u>	<u>1,516</u>

### 11. Related company and consolidation

The company owns 100% of the issued ordinary share capital of RABDF Events Ltd (incorporated in the United Kingdom) which caters for events.

Its trading results for the year, as extracted from the accounts, are summarised below:

Turnover	889,590	1,100,875
Cost of sales	<u>650,368</u>	<u>767,809</u>
Gross profit	239,222	333,066
Administrative expenses	<u>229,754</u>	<u>325,447</u>
Net income for the year	9,468	7,619
Gift aid donation	<u>9,468</u>	<u>7,619</u>
Net income before and after tax	-	-
Reserves brought forward	<u>1</u>	<u>1</u>
Reserves carried forward	<u>1</u>	<u>1</u>

The company has taken advantage of Section 479 of the Companies Act 2006, not to have its accounts audited.

### 12. Parent company results

The results for the year, as extracted from the accounts, are summarised below:

Incoming resources	380,014	645,985
Gift aid donation	<u>9,468</u>	<u>7,619</u>
Total incoming resources	389,482	653,604
Resources expended	<u>627,235</u>	<u>806,207</u>
Net (outgoing) resources	(237,753)	(152,603)
Gains / (losses) on investment assets:		
Realised	47	(3,725)
Unrealised	<u>(27,761)</u>	<u>(19,392)</u>
Net movement in funds	(265,467)	(175,720)
Fund balance brought forward	<u>1,028,679</u>	<u>1,204,399</u>
Fund balance carried forward	<u>763,212</u>	<u>1,028,679</u>