



REGISTRARS COPY

REGISTERED NUMBER: 00013393

**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 2014**

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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 2014

The Council presents its report and the audited financial statements for the year ended 31st December 2014.

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 D L Davies	
Mr L R C Edwards	
Mrs M M Hall	
Mr M P King	appointed 1.1.14
Mr J D Leaver	
Mr I K G Macalpine	
Mr I J McLean	appointed 27.8.14
Mr J M Owen	
Mr A R Snodgrass	
Mr G Trehane	
Mr W Westacott	appointed 1.1.14
Mr W H Whiteford	
Mr A A Wielkopolski	

President

Prof D Leaver

Chairman

Mr I K G Macalpine

Vice Chairman

Mr D L Davies

Chief Executive

Mr N Everington

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2014

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 2014

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.

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 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.
- Using the Dairy Fund to bring together English Dairy Farmers interested in collaboration.

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2014

Objectives and Activities (continued)

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

1. To minimise the budgeted deficit of £23,700 in 2014, as agreed by Council.

The Association made an overall deficit of £175,720 against a budgeted deficit of £23,700. This can be partly accounted for by realised losses of £3,725 and unrealised losses of £19,392 on investments.

However the major deficit on ordinary activities of £152,603, can be accounted for by a lower than budgeted income from Conference, Events and Awards, mainly from the Livestock Event.

Other factors negatively affecting net movement of funds were:

- The Dairy Fund FFC which generated a gross margin £10,266 below budget due to a later than forecast start to the project, caused by delays in decision making by Defra.
- A claw back of funds from IRIS of £15,472 from the previous year's Geronimo project following a partner going bust and the loss being shared amongst partners.
- Investment Income was £7,591 lower than budgeted.
- Membership Income was £3,010 below budget.

Total expenditure for the Association was £179,467 below budget mainly due to lower than expected costs on the Dairy Fund FFC Project.

2. Maintain Annual Membership at 800 members and retain 27 Corporate Members.

Considerable effort was made to promote annual and young membership by the whole RABDF team at the 11 farm walks and open days organised by the Association during 2014. Annual Membership increased by 3 members to 782 and Young Members increased by 25 to 44 following the Entrepreneurs in Dairying Courses, in a year when UK dairy farmer numbers fell by 344. Corporate member numbers fell by 1 to 26.

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

The Association's Chairman attended numerous meetings during 2014 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.

4. Continue to build a database and introduce visitor registration systems which record a minimum of 50% of email addresses at the Livestock Event to enable future contact and pre event promotion.

The Event registration system was outsourced to a new company in 2014 with 100% of visitors emails recorded pre event.

5. Create an Event Template for new events to improve internal processes

The template system has been implemented to good effect.

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2014

Objectives and Activities (continued)

6. Increase Event stand space income by £124,800 over the previous year

Stand space income increased by £47,739 falling short of target by £77,061
Increased competition from other specialist events had a negative impact on income.

7. Increase net ticket sales income by £47K

Although there was an increase in recorded admissions, more complimentary tickets were circulated as part of exhibitor packages and sponsorship which affected ticket sales. Despite a major initiative with free coaches, ticket sales were down by £6,520. Gate sales were not helped by fine weather during event week.

8. Maintain investment capital and dividend income.

Investment income and interest earned was down slightly on the previous year and fell short of budget by £5,591, despite changes to the investment portfolio. Realised and unrealised losses on investments reduced investment capital by £19,392.

9. Prepare a business plan for a new RABDF income generator for 2015.

The Association's Event Director and Chief Executive secured a contract to manage SALTEX, the Sports Amenities Landscaping Trade Exhibition during its move to The NEC in November 2015.

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 2014

The Association continues to benefit from strong support from the supply industry. Surveys conducted with exhibitors after the 2014 Event showed that 76% were happy with the number of enquiries received and 90% were satisfied with the quality of enquiries. 91% of visitors rate the Livestock Event as good to excellent and 89% 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.

Farm Walks

Two Milking Grass For Profit farm walks were organised by RABDF in 2014, one in Ayrshire and the other in Cornwall. Both were organised in association with the British Grassland Society and DairyCo, and were again extremely popular.

Building on a successful 2013, we continued our National Youngstock Farm Walks with two held in the spring of 2014 at Lutterworth and Coxwold and another in the autumn at Gillingham in Dorset. All were well attended.

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2014

Objectives and Activities (continued)

Farm Walks

RABDF also organised open days on Farmers Weekly's Award Winners' farms; a Dairy Open Day at The Crichton, Beef Open Day near Carmarthen and Sheep Open Day near Llandrindod Wells. Again these were well attended.

A commercial goat farm walk was also held near Skipton in September attracting over 100 visitors including goat farmers from all over the UK.

Open Days

A major open day organised by RABDF in conjunction with NMR and hosted by the Higgins Family was held near Shrewsbury on 29th May to celebrate the family winning the 2013 RABDF / NMR Gold Cup Award. This was a very successful day, attracting nearly 1,000 visitors who were able to pick up some useful tips from the presentations and tour of the farm.

College Lecturer Training

Nineteen delegates representing twelve agricultural colleges located throughout the UK from Cumbria to Cornwall were brought up to speed with the latest developments in the sector at the 2014 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.

Dairy Fund – Foundation For Collaboration Project (FFC)

Foundation For Collaboration was a new facilitation programme for English dairy farmers interested in working together to strengthen their negotiating position in the market place. The programme was funded by The Dairy Fund and Promar International was appointed by RABDF as the principal deliverer of the programme, which consisted of a programme of events throughout the year.

The project commenced with a National Conference held in April at the National Motorcycle Museum at Solihull where over 90 delegates listened to speakers on collaboration from overseas as well as from groups in other farming sectors of the UK. This was followed by a series of regional meetings and workshops held with interested groups throughout the country and a number of study tours to see how other groups were operating. Eight collaborative groups were formed in total which achieved our target and from these RABDF is looking to continue working with two groups, one for robotic milkers and the other for women in dairy.

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2014

Objectives and Activities (continued)

Entrepreneurs in Dairy

A new 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 introduced in 2014. This is a joint initiative between stakeholders; RABDF, DairyCo, NFU and The Anderson Centre with RABDF responsible for organisation. The first courses, comprising 8 evening sessions, were held over 12 weeks at; Cannington, Newton Rigg, Llysfasi and Glynlifon Colleges in the autumn of 2014, with a follow up course on finance offered to those who were interested. Feedback from the 34 students was very positive and plans are in place to repeat the courses at Cannington, Newton Rigg and Geilli Aur Colleges with the 2 day finance course included.

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.

All Party Parliamentary Group – Dairy

The Dairy All-Party Parliamentary Group was revived in 2014 with the purpose of promoting informed debates on the British dairy industry in Parliament and supporting the development of a sustainable and profitable industry in the UK.

RABDF, working with Dairy UK, acts as the joint secretariat, with Neil Parish MP as Chairman. This cross party group has heard evidence from witnesses covering subjects ie trade and the economy, public health and nutrition, farming and supply chain integrity, environment, training and skills and the EU Milk package over a series of seminars during the autumn and winter of 2014/15. A report was published this Spring with nine firm recommendations listed which were widely reported by the press.

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; The Dairy Supply Chain Forum, 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 Johnes'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.

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2014

Objectives and Activities (continued)

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 management meetings continue to be held with the minutes of these meetings circulated to 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 £175,720 compared with a surplus of £30,590 in 2013.

The Association's funds at 31st December 2014 stood at £1,028,679 compared with £1,204,399 at 31st December 2013.

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 Livestock Event.

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 one year's expenditure. At 31st December 2014 the Association held free reserves amounting to £1,028,679.

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.

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2014

Plans for Future Periods

- 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 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.

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

- To minimise the budgeted deficit in 2015 and develop a business plan to bring the association to break even in 2016.
- Maintain Annual and Corporate Membership but also develop a new Women in Dairy Group and Robotic Milkers Group
- Attend all relevant meetings to represent the views of RABDF's membership.
- From the complimentary ticket offer, continue to build a database and introduce visitor registration systems which record a minimum of 50% of email addresses to enable future contact and pre event promotion.
- Exceed the budgeted stand space income for the Livestock Event in a year with low milk prices , reduced supply trade marketing spend and increased competition from specialist events.
- Maximise sales of additional tickets to farmers on the back of the complimentary ticket offer and exceed the budgeted ticket sales.
- Maintain investment capital and dividend income.
- Prepare a business plan for a new RABDF income generator for 2016.

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2014

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 Charity SORP;
- 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 directors and trustees are responsible for keeping adequate accounting records which 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.

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.

THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

REPORT OF THE COUNCIL FOR THE YEAR ENDED 31st DECEMBER 2014

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 14th April 2015 and signed on its behalf by:



Mr I K G Macalpine - Chairman



Mr A R Snodgrass - 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 2014 on pages 14 to 22. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (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 2014 , 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

28th April 2015

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 2014

	Unrestricted funds	
	2014	2013
	£	£
INCOMING RESOURCES		
Voluntary income		
Donations	137	189
Activities to generate funds		
Investment income and interest earned	28,409	29,361
Charitable activities		
Membership subscriptions	40,660	42,290
Conference, events and awards	1,160,509	1,132,214
Dairy fund FFC	206,790	-
European projects	-	79,247
Total incoming resources	<u>1,436,505</u>	<u>1,283,301</u>
RESOURCES EXPENDED		
Costs of generating funds		
Investment brokers fees	5,398	5,356
Charitable activities		
Membership costs	5,995	6,851
Conference, events and awards	1,052,374	996,363
Public relations and marketing	5,982	5,481
Policy adviser's remuneration/expenses	13,669	11,365
Dairy fund FFC	167,186	-
European projects	15,472	41,276
Support costs		
Staff salaries, national insurance and pensions	206,286	194,864
Chief executive costs	9,987	9,976
Property costs	27,130	29,292
Administration costs	37,134	49,248
Bank charges and interest	6,526	1,821
Miscellaneous	474	1,569
Legal and professional	4,570	3,100
Exchange rate fluctuation	493	58
Depreciation	7,651	7,156
Governance costs		
Audit and accountancy	9,335	12,155
Council members' expenses and meeting costs	13,446	16,938
Total resources expended	<u>1,589,108</u>	<u>1,392,869</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 2014

	Note	Unrestricted funds 2014 £	2013 £
Incoming resources	1.	1,436,505	1,283,301
Resources expended		<u>1,589,108</u>	<u>1,392,869</u>
Net (outgoing) resources		(152,603)	(109,568)
Realised gains / (losses) on investments		<u>(3,725)</u>	<u>16,313</u>
(Deficit) for the year		(156,328)	(93,255)
Unrealised gains / (losses) on investments		<u>(19,392)</u>	<u>123,845</u>
Net movement in funds		(175,720)	30,590
Fund balances at 1st January 2014		<u>1,204,399</u>	<u>1,173,809</u>
Fund balances at 31st December 2014		<u>1,028,679</u>	<u>1,204,399</u>

The notes on pages 18 to 22 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 2014

	Note	2014	2013
		£	£
Fixed assets			
Investments	5.	1,087,084	1,116,750
Tangible assets	6.	<u>11,166</u>	<u>15,930</u>
		1,098,250	1,132,680
Current assets			
Debtors	7.	502,683	297,938
Cash at bank and in hand		<u>86,808</u>	<u>95,143</u>
		589,491	393,081
Current liabilities			
Creditors - amounts falling due within one year	8.	<u>659,062</u>	<u>321,362</u>
Net current assets		<u>(69,571)</u>	<u>71,719</u>
Net assets		<u>1,028,679</u>	<u>1,204,399</u>

Financed by:

Reserves	9.	<u>1,028,679</u>	<u>1,204,399</u>
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For the year ended 31st December 2014, 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 April 2008).

The financial statements were approved by the Council on 14th April 2015 and were signed on its behalf by:



Mr I K G Macalpine - Chairman



Mr A R Snodgrass - Hon Treasurer

The notes on pages 18 to 22 form an integral part of these financial statements.

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

BALANCE SHEET AS AT 31st DECEMBER 2014

	Note	2014	2013
		£	£
Fixed assets			
Investments	5.	1,087,086	1,116,752
Tangible assets	6.	<u>11,166</u>	<u>15,930</u>
		1,098,252	1,132,682
Current assets			
Debtors	7.	184,847	102,698
Cash at bank and in hand		<u>7,895</u>	<u>53,893</u>
		192,742	156,591
Current liabilities			
Creditors - amounts falling due within one year	8.	<u>262,315</u>	<u>84,874</u>
Net current assets		<u>(69,573)</u>	<u>71,717</u>
Net assets		<u>1,028,679</u>	<u>1,204,399</u>
Financed by:			
Reserves	9.	<u>1,028,679</u>	<u>1,204,399</u>

For the year ended 31st December 2014, 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 April 2008).

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The notes on pages 18 to 22 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 2014

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.

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 2014

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 £35,083 (2013 £29,619). 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

	2014 £	2013 £
This is stated after charging / (crediting) the following:		
Depreciation of tangible fixed assets	7,651	7,156
Operating lease costs	36,069	36,610
Auditors' remuneration	3,000	3,000
Accountancy and other services	<u>6,335</u>	<u>9,155</u>

3. Trustee remuneration and benefits

There were no trustees' remuneration or other benefits for the year ended 31st December 2014, nor for the year ended 31st December 2013.

Trustees' expenses

Reimbursed travel expenses	<u>9,288</u>	<u>13,125</u>
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THE ROYAL ASSOCIATION OF BRITISH DAIRY FARMERS

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st DECEMBER 2014

4. Staff numbers and costs

	2014 £	2013 £
The average weekly number of persons employed by the Association during the year was:		
Administration	<u>11</u>	<u>10</u>
Staff costs were:		
Salaries	335,333	319,598
Social security costs	36,012	34,059
Pension and insurance costs	<u>41,227</u>	<u>36,070</u>
	<u>412,572</u>	<u>389,727</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 1.1.14	1,115,724	1,114,898
Purchases at cost	461,195	227,401
Sales proceeds	(485,351)	(366,733)
Realised gains / (losses) on sales	(3,725)	16,313
Unrealised gains / (losses) on revaluation	<u>(19,392)</u>	<u>123,845</u>
Closing balance of investments held at 31.12.14 (all quoted on a recognised stock exchange)	1,068,451	1,115,724
Cash held by investment managers for reinvestment	<u>18,633</u>	<u>1,026</u>
The group	1,087,084	1,116,750
Shares in subsidiaries	<u>2</u>	<u>2</u>
The company	<u>1,087,086</u>	<u>1,116,752</u>

At 31.12.2014		At 31.12.2013	
Cost	Valuation	Cost	Valuation
<u>929,868</u>	<u>1,087,086</u>	<u>794,579</u>	<u>1,116,752</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 2014

6. Tangible fixed assets

The group and the company	Computer Equipment £	Office Furniture & Fittings £	Event Equipment £	Total £
Cost				
As at 1.1.14	58,284	43,775	13,676	115,735
Additions	<u>1,166</u>	<u>1,721</u>	-	<u>2,887</u>
As at 31.12.14	<u>59,450</u>	<u>45,496</u>	<u>13,676</u>	<u>118,622</u>
Depreciation				
As at 1.1.14	54,469	39,866	5,470	99,805
Provision for the year	<u>3,508</u>	<u>1,408</u>	<u>2,735</u>	<u>7,651</u>
As at 31.12.14	<u>57,977</u>	<u>41,274</u>	<u>8,205</u>	<u>107,456</u>
Net book value				
As at 31.12.14	<u>1,473</u>	<u>4,222</u>	<u>5,471</u>	<u>11,166</u>
As at 31.12.13	<u>3,815</u>	<u>3,909</u>	<u>8,206</u>	<u>15,930</u>

The Association's challenge cups are not included in the tangible fixed assets. They were professionally valued at £161,140 on 21st October 2013.

7. Debtors

	2014		2013	
	The group £	The company £	The group £	The company £
Trade debtors	447,628	129,070	219,827	46,329
Prepayments	51,280	10,911	28,705	10,375
Value added tax	-	41,091	46,407	42,995
Other debtors	<u>3,775</u>	<u>3,775</u>	<u>2,999</u>	<u>2,999</u>
	<u>502,683</u>	<u>184,847</u>	<u>297,938</u>	<u>102,698</u>

Creditors: amounts falling due within one year

Bank overdrafts and loans	27,282	27,282	-	-
Trade creditors	150,536	35,629	16,329	7,688
Income received in advance	346,222	20,534	279,999	16,409
Social security	6,896	6,896	9,465	9,465
Value added tax	5,135	-	-	-
Amounts owed to group company	-	66,561	-	39,241
Other creditors and accruals	<u>122,991</u>	<u>105,413</u>	<u>15,569</u>	<u>12,071</u>
	<u>659,062</u>	<u>262,315</u>	<u>321,362</u>	<u>84,874</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 2014

10. Operating lease commitments

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

	2014 £	2013 £
Expiring:		
Within one year	20,449	-
Between one and five years	<u>1,516</u>	<u>21,965</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	1,100,875	1,066,053
Cost of sales	<u>767,809</u>	<u>726,478</u>
Gross profit	333,066	339,575
Administrative expenses	<u>325,447</u>	<u>300,601</u>
Net income for the year	7,619	38,974
Gift aid donation	<u>7,619</u>	<u>38,974</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	645,985	510,281
Gift aid donation	<u>7,619</u>	<u>38,974</u>
Total incoming resources	653,604	549,255
Resources expended	<u>806,207</u>	<u>658,823</u>
Net (outgoing) resources	(152,603)	(109,568)
Gains / (losses) on investment assets:		
Realised	(3,725)	16,313
Unrealised	<u>(19,392)</u>	<u>123,845</u>
Net movement in funds	(175,720)	30,590
Fund balance brought forward	<u>1,204,399</u>	<u>1,173,809</u>
Fund balance carried forward	<u>1,028,679</u>	<u>1,204,399</u>