

## The Northern Ireland Agricultural Research & Development Council Trustees and Advisers

### **Trustees**

William H Yarr - Chairman Tom Henderson (reappointed 21 September 2006) Wilfred Mitchell Peadar Montague Gary Hawkes Nigel McLaughlin (reappointed 21 September 2006)

Nigel McLaughlin (reappointed 21 September 2006) Douglas Rowe

Cecil Mathers (died in service 10 October 2006) James Campbell

James Walker (appointed 21 September 2006)

## **Secretary**

David Mark

## **Registered Office**

Countryside Services Limited 97 Moy Road Dungannon Co Tyrone BT71 7DX

## **Solicitors**

J McKee & Sons Hampden House 55 Royal Avenue Belfast BTI 1FD

#### **Bankers**

Northern Bank Limited Antrim Road Belfast

## **Registered Auditors**

PricewaterhouseCoopers LLP 18 Northland Row Dungannon

## **Dairy Advisory Committee**

James Brown - Chairmar John Thompson Albert Foster Sean Clarke Trevor Lockhart Dr Alan McIlmoyle

## **Beef Advisory Committee**

Kenneth Sharkey - Chairman Edward Carson Michael McBride Colin Duffy Dr Mike Tempest Dr Colin McKee

## **Sheep Advisory Committee**

lan Buchanan - Chairman David Chambers Issac Crilly Samuel Wharry James McHenry Terry Acheson Dr Moore Chestnutt

## **Committee Secretary**

Lynsay Wells



In recent years my statement in the Annual Report has highlighted the objectives of the Northern Ireland Research and Development Council, trading under the name of AgriSearch. I make no excuse for this, for it is important that those who have an interest in our work are regularly reminded of why and how the company operates, as well as the results it achieves.

Established ten years ago, to fill the void caused by ever decreasing government investment in near market agricultural research. AgriSearch's prime objective was. through the appropriate commissioning of research, to provide practical benefit for primary producers in the dairy, beef and sheep sectors. The aim was that this would reduce costs, improve performance, drive innovation and improve welfare. Funding for this was to be obtained from each of the sectors through 'terms of trade' levies to be collected by milk processors, meat plants and livestock marts. The levy rates of 0.02p/litre of milk processed, 20p/head for beef cattle and 5p/head for sheep through the meat plants have been maintained over the ten year period. During the 06/07 financial year levy income of £438.000 was received making a total of almost £4.2 million received since 1997. On the other side of the coin we commissioned 6 new projects during 06/07, committing £324,000 of AgriSearch levies received. bringing the total over the ten years to 60 projects and an outlay of £3.7 million. In evaluating the figures it should be remembered that on average we only fund projects to around 30% of their total cost, seeking as we do complimentary funding for individual projects mainly through DARD. According, AgriSearch has managed to commission research costing over £11 million – a very significant figure indeed.

The final decision to commission projects falls to the Board of Trustees but this

only occurs following considerable work by the Dairy, Beef and Sheep Advisory Committees. The initial role that they take is the consideration of suitable projects to which AgriSearch funding could be applied. These may have arisen during Committee discussion, from suggestions made by individuals and /or aroups of farmers or from research establishments. AgriSearch seeks to avoid duplication of past or current R&D carried out elsewhere. Sometimes this might not seem to be the case as work undertaken or results obtained from similar research in other parts of the UK and beyond might not necessarily apply to Northern Ireland's conditions.

Having agreed potential projects the next task of the Advisory Committees is to identify research providers and examine with them, their methodology, costings and predicted potential benefits to the primary producer. This procedure can be lengthy as the Committees are well aware that levy payers funds are involved and that 'value for money' must be achieved – this also highlights the need for (and required amount of) complimentary funding. This extra funding is obtained mainly from DARD as commercial funding could well limit the extent to which the research results can be disseminated. Prior to commissionina. approval for the commitment of AgriSearch money is then sought from the Board of Trustees

In the past the majority of projects have been commissioned through AFBI Hillsborough (previously known as ARINI, Hillsborough) and this will probably continue to be the case in the foreseeable future. In no way however will it preclude us from commissioning elsewhere if such action is felt prudent. The AgriSearch relationship with Hillsborough is excellent but by no means cosy with budgets, interim and final reports actively and critically

evaluated by the Advisory Committees. Dissemination of completed work in a clear and simply understood manner is essential. In addition to the Advisory staff at CAFRE, Greenmount we use a range of methods to ensure that the research results are widely circulated.

With great emphasis being placed on the dissemination of findings we are keen to see the adoption by the industry into everyday working practice of the key recommendations. In my statement in last vears report. I referred to the need for a robust dynamic and innovative research appraisal tool to quantify the impact of AgriSearch funded work to the Northern Ireland garicultural sector. Initial work on this has been undertaken with a number of completed projects in the dairy sector. These showed very encouraging results in terms of the investment return compared with the initial funding commitment Work is continuing to establish such a management information system which. in time, will enable us to conduct an economic evaluation of proposed research projects before committing funds to them. As projects progress, methodology will be in place to allow the validity of the assumptions to be tracked and firmed up. At the completion of projects a profile of actual project return outcomes and costs will then be available. Greater emphasis at that time will be directed towards the encouragement of adoption of those projects which appear to be particularly promising from an economic viewpoint.

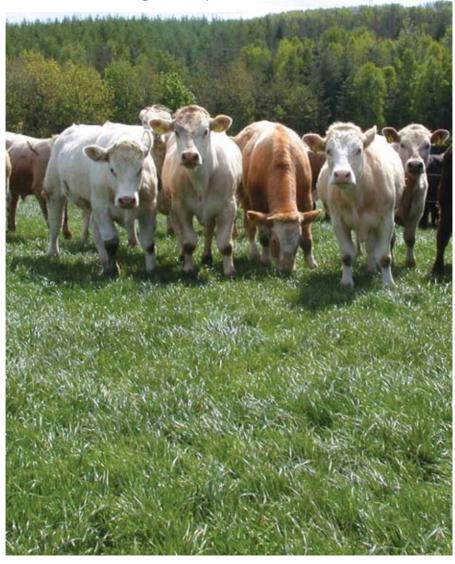
Innovative research and development is a key strategy within government targets. In line with this AgriSearch is also committed to innovative research and development and aims to ensure that it maximises its influence and impact.

AgriSearch is dependent on the goodwill of its levy payers and the Trustees are satisfied that they have put in place a range of systems to ensure that appropriate projects are commissioned, that research findings are fully and innovatively disseminated and that feedback and engagement is sought to maximise the uptake of key benefits that are identified. The Trustees realise the responsibility they have and the task that lies ahead. I have every confidence that their objectives will be achieved.

Finally may I take this opportunity to express my appreciation for the support received during the financial year from:

- David Mark and Lynsay Wells of Countryside Services Ltd who yet again have provided AgriSearch with a first class Secretariat.
- The three Advisory Committees, ably chaired by James Brown, Kenneth Sharkey and Ian Buchanan. Their reports and details of completed and current projects can be found later on in this report.
- The Trustees themselves. We were saddened at the sudden death in October 2006 of Cecil Mathers, who represented the meat plant levy collectors on the Board. His advice and contribution to the affairs of AgriSearch will be sorely missed.

**Bill Yarr** Chairman AgriSearch is committed to placing greater emphasis on the dissemination of research findings to the wider Northern Ireland farming community.



## **Secretary's Report**

## David Mark Company Secretary



### **Results**

The net incoming resources for the financial year were £109,832. (2006:outgoing £342,881).

#### **Directors**

The Articles of Association indicate that any reference to "the Trustees" means the Directors of the charity.

The Directors of the company at the 31st March 2007, all of whom have been Directors for the whole year ended on that date, unless otherwise stated, are listed on page 2.

Wilfred Mitchell retires by rotation at the Annual General Meeting and a new Independent Farmer Representative will be sought.

Following the unexpected passing of Cecil Mathers in October 2006, Phelim O'Neil was appointed as Chief Executive of NIMEA and hence took up the appointment of red meat levy collector representative on the Board of Trustees.

## **Governance and Internal Control**

The Trustees have overall responsibility for ensuring that there is an appropriate system of internal controls and that it complies with relevant laws and regulations. The system of internal controls is designed to provide reasonable, but not absolute. assurance against material misstatement or loss. Key features of the system are an annual budget approved by the Trustees, regular consideration by the Trustees of financial results, variance from budgets, other performance indicators and benchmarking reviews, delegation of authority and searegation of duties and the identification, review and management of strategic, business and operational risks.

#### David Mark

Secretary 19 September 2007

# **Statement of financial activities for the year ended 31 March 2007** (including income and expenditure account)

	Notes	Unrestric	ted Funds
		2007 £	2006 £
Incoming Resources			
Incoming resources from generated funds			
Milk income		312,240	372,764
Beef income		84,177	
Sheep income		41,692	
Investment income		70,785	45,578
Total incoming resources		508,894	564,148
Resources expended			
Charitable expenditure			
Direct programme expenditure	12	312,042	828,318
Dissemination costs		35,116	25,006
Governance costs			
Management and administration	2	51,904	53,705
Total resources expended		399,062	907,029
Net incoming/(outgoing) resources for the year	3	109,832	(342,881)
Fund balance brought forward at 1 April 2006		478,620	821,501
Fund balance carried forward at 31 March 2007	13	588,452	478,620

All amounts above relate to continuing unrestricted operations of the company.

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.

There is no material difference between the net incoming resources and the funds for the financial year stated above and their historical cost equivalents.

## **Balance sheet at 31 March 2007**

	Notes	2007 £	2006 €
Fixed assets Tangible assets	7	7,627	10,170
Current assets Debtors Cash at bank	8 9	116,429 1,477,185	116,091 1,637,228
Creditors: amounts falling due within one year	10	1,593,614 (585,193)	1,753,319 (598,623)
Net current assets		1,008,421	1,154,69
Total assets less current liabilities Creditors: amounts falling due after more than one year	11	1,016,048 (427,596)	1,164,866 (686,246)
Net assets		588,452	478,620
Funds			
Unrestricted funds		588,452	478,620
Total funds	13	588,452	478,620

The financial statements on pages 7 to 11 were approved by the Trustees on 19 September 2007 and were signed on their behalf by:

William H Yarr

Director

## Notes to the financial statements for the year ended 31 March 2007

## 1. Accounting policies

These financial statements are prepared on the going concern basis under the historical cost convention and in accordance with the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in March 2005, the Companies (Northern Ireland) Order 1986 and applicable accounting standards. The principal accounting policies are set out below.

## Cash flow statement

The company qualifies as a small company under the terms of Articles 255 to 257 of the Companies (Northern Ireland) Order 1986.

As a consequence it is exempt from the requirement to publish a cashflow statement.

## Incoming resources

Income represents all monies, on an accruals basis, collected on behalf of the Company by its agents. The levy rates charged to farmers are as follows:

Milk: 0.02p per litre
Beef: 20p per head
Sheep: 5p per head

## Resources expended

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category.

## Direct programme expenditure

Direct programme expenditure represents research and development grants approved for payment and are charged as expenditure in the year in which the commitment is made and are carried forward as a liability until paid.

## Management and administration expenditure

These represent costs incurred in the management of the company's assets, organisational administration and compliance with constitutional and statutory requirements.

## Value added tax

The Company is not registered for VAT purposes; therefore expenditure is shown gross of VAT.

## **Unrestricted Funds**

Unrestricted funds are amounts received or generated and which are expendable at the discretion of the Company in furtherance of its objectives.

	2007 £	2006 £
2. Management and administration Promotion, publications and advertising Administrative costs	7,402 44,502	13,094 40,611
	51,904	53,705
3. Net incoming/(outgoing) resources		
This is stated after charging:		
Auditors' remuneration	2,370	2,300
	2007	2006
4. Employee information	Number	Number
Average monthly number of persons employed by the Council (including Trustees) during the period by activity		
Administration	9	10

## 5. Trustees' emoluments

The Trustees received no emoluments during the year (2006: Nil).

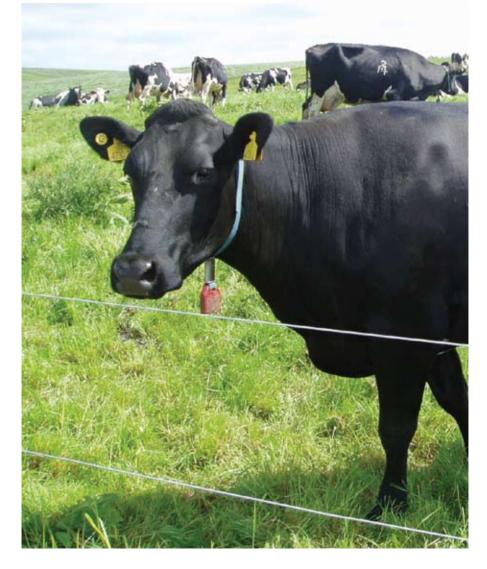
## 6. Taxation

The company is a registered charity, and as such is entitled to certain tax exemptions on income and profits from investments, and surpluses on any trading activities carried on in furtherance of the charity's primary objectives, if these profits and surpluses are applied solely for charitable purposes.

	Computer eq	uipment £
7. Fixed assets		
Cost		
At 1 April 2007 Additions		12,713 -
At 31 March 2007		12,713
Depreciation		
At 1 April 2006		2,543
Charge for year		2,543
At 31 March 2007		5,086
Net book value		
At 31 March 2007		7,627
At 31 March 2006		10,170
	2007 €	2006 £
8. Debtors		
Amounts falling due within one year		
Trade debtors (levies due)	101,573	106,304
Prepayments and accrued income	14,856	9,787
	116,429	116,091
9. Cash at bank		
Committed funds (note 12) Uncommitted funds	1,002,918 474,267	1,271,928 365,300
	1,477,185	1,637,228

	2007 £	2006 £
10. Creditors: amounts falling due within one year		
Trade creditors	-	8,711
Other creditors - committed grant expenditure (note 12)	575,322	585,682
Accruals and deferred income	9,871	4,230
	585,193	598,623
	2007 €	2006 £
11. Creditors: amounts falling due after one year		
Other creditors - committed grant expenditure (note 12)	427,596	686,246
	2007 £	2006 £
12. Committed grant expenditure		
Committed expenditure at 1 April	1,271,928	
Further commitments during the year	312,042	828,318
Paid during the year	(581,052)	(455,882)
At 31 March	1,002,918	1,271,928
	2007.0	0007.0
12. Decemblishing of management in accomplated from the	2007 £	2006 £
13. Reconciliation of movement in accumulated funds		
At 1 April	478,620	821,501
Net incoming/(outgoing) resources for the year	109,832	(342,881)
At 31 March	588,452	478,620

The AgriSearch Dairy Advisory Committee welcomes ideas on research from producers either through your milk buyer or direct to the Committee.



# Management and administration expenditure for the year ended 31 March 2007

	2007 £	2006 £
Promotions, publications, advertising and educational activities		
and educational activities Public relations services	5,754	4.489
Meetings expenses - regular meetings	-	64
Study tour expenses	_	6.977
Travel expenses	1,648	1,564
	7,402	13,094
Administrative costs		
Management charge:		
Countryside Services Limited	19,419	15,443
Audit and accountancy fees	3,197	3,670
nsurance	2,800	2,625
Niscellaneous expenses	293	368
Computer software support	1,744	68
Neb site expenses	-	1,010
Telephone and postage	-	122
Chairman's honorarium	5,110	5,000
VAT costs	9,285	9,668
Depreciation	2,543	2,543
Bank fees	111	94
	44,502	40,611



## **Beef Committee Report**

## Kenneth Sharkey Beef Committee Chairman



Year on year local beef farmers continue to face more pressures. There have been some positives over the past year including the lifting of the beef ban, but now they are faced with increased feed costs and lower beef prices. This means that trying to remain profitable is becoming increasingly difficult. Local beef farmers are also facing increased bio security issues ranging from TB in cattle to the latest outbreak of foot and mouth disease. With increasing numbers of imports from abroad our local beef farmers need to be looking at ways to promote the benefits of their beef to local consumers. The Beef Committee committed no money to new projects during the 06-07 financial year but have since committed the majority of their funds to two new projects since April 2007. These projects are:

- Developing sustainable systems of beef production from the suckler herd.
- Development of genetics/management recording system for the Northern Ireland beef industry.

The Committee feel that these projects will be of great benefit to the local beef sector and look forward to seeing the initial results.

The Beef Committee has been strengthened recently with the addition of the following four new members:

#### Karl Mullan:

Independent Farmer Representative

## Derek Shaw:

Independent Farmer Representative

#### Harry Sinclair:

**UFU** Farmer Representative

#### Raymond Steen:

Independent Scientific Representative

The Committee look forward to working with these new members and feel that they will bring a wealth of knowledge and experience to the Committee.

## Kenneth Sharkey

Beef Committee Chairman

## **Beef projects**

#### Completed

- Factors affecting the dirtiness of finished beef cattle Booklet no 5 B-01-97
- Effect of housing system on behaviour, welfare and performance of beef cattle
   Booklet no 6 – B-02-97
- Effect of genotype of beef cows and terminal sires on quality of progeny and sustainability for different market outlets
   Booklet no 8 B-03-98
- Effect of slaughter weight on efficiency of lean meat production from Holstein bull calves and on the quality of processed meat from their carcasses, and its suitability for markets – B-04-00

#### Current

- Increasing the lifetime growth rate of beef cattle B-05-01
- Maximising beef output from the suckler herd through the production of heavy suckler bulls – B-06-04
- Low input forages for beef production
   B-07-06
- Contribution of meat from grass fed ruminants to the total human dietary intake of long chain n-3 polyunsaturated fatty acids – UU-B-08-06

## Joint Dairy/Beef Sector Projects

## Completed

- Economic evaluation of Holstein Bull Beef Production (DB-24-04) – Booklet no 12
- Reducing Organic nitrogen output from dairy cows and beef cattle in Nitrate Vulnerable Zones (DB-16-03)

### Current

- The effect of increasing calf growth rate in the first two months of life on subsequent lifetime performance DB-14-03
- Maximising returns from progeny sourced in the dairy herd DB-26-05
- Botulism in Cattle (VSD-DB-34-O6)

## **Dairy Committee Report**

# James Brown Dairy Committee Chairman



It is reassuring that returns in the dairy industry have increased significantly over the past year and that world markets should remain strong for the next eighteen months. This is especially important with input costs rising and the burden of the extra costs associated with the very wet summer. The main aims of AgriSearch are to fund primary production research, influence government priorities, and provide practical benefits to farmers while helping the environment and helping better management decisions to achieve optimum performance.

The Dairy Committee have had four projects approved for funding in 2006–07 financial year:

- Effectiveness of foot bath solutions for the treatment of digital dermatitis in cows.
   This project will round off research on lameness in Dairy cattle some of which has been carried out on farm. We have been very pleased with the results that are coming forward so far.
- Grass Check 3 Monitoring of grass and clover growth and sward quality across Northern Ireland.
   This will give more information region by
  - This will give more information region by region especially important for grass based production systems.
- Improving the efficiency of grass utilisation and nutrient use from slurry under rotational grazing of dairy cows.
   This work may be very important for any producer working under a Nitrates derogation, as they will have to have higher nutrient efficiency.
- Health and immunity of dairy bred calves.
   Mortality rate and disease resistance are of great concern to farmers and antibiotic use in agriculture is coming under greater scrutiny by the public.

During all the negotiations surrounding the Nitrates Directive, Northern Ireland based

research was absolutely critical in achieving an action plan that the industry could live with. Two main areas were questioned by the EU Commission. Before the next action plan is summated at the end of 2009, research needs to be completed on the spreading of slurry during October and February, the effects of spreading dirty water, especially over the winter period. AgriSearch had a presence at the Winter Fair 2006. This gave us an opportunity to take on board your views so that the research we commissioned is both relevant and helpful to the local dairy industry. For every pound of levy spent £2 was matched funded from other sources in the dairy sector.

Dissemination of results is critical in the uptake of new ideas. To help this a meeting with the levy collectors was held in June 2007. There was a lot of discussion on how AgriSearch could work with the levy collectors to get results out to producers. Suggestions were also taken on board on how we might improve the value of research that your levy money buys.

The AgriSearch Dairy Advisory Committee would welcome ideas on research from producers either through your milk buyer or direct to the Committee

## James Brown Dairy Committee Chairman

## **Dairy Projects**

## Completed

- Improving milk composition in the dairy herd – Booklet no 1 (D-01-97)
- Development of improved methods for rationing dairy cattle (D-02-97)
- A comparison of four contrasting milk production systems for winter calving high genetic merit cows
  - Booklet no 2 (D-05-98)
- Dairy Herd Fertillity Examination of effects of increasing genetic merit and other herd factors on reproductive performance
  - Booklet no 3 (D-07-98)
- Developing improved heifer rearing systems
   Booklet no 7 (D-00-97)

(D-08-98)

- Grass Check 1 On farm monitoring of grass growth, grass quality and herbage intakes of dairy cows in NI
- Examination of the effectiveness of a range of time temperature pasteurisation combinations (DCNI-D-09-99)
- Survivability of dairy cattle and factors that influence this on farm (D-06-98)
   Booklet no 11
- Achieving high milk production at pasture (D-13-02) – Booklet no 10
- Optimum northern Ireland milk production systems, with milk prices between 16 -21ppl (D-15-03)
- Footbath Design and Use (MDC-D-18-04) – Booklet no 13
- Alternative forages for dairy cattle (D-20-04) – Booklet no 14
- Grass Check 2 (D-22-04)
- Development of methodology to enable prediction of actual manure N output from dairy cows in NVZs in NI (D-27-05)

## **Current Projects**

- To assess the potential of the Norwegian (NRF) Breed as a means of improving fertility and health status of NI dairy herd (D-10-00)
- An examination of the potential contribution of cross breeding to improve the profitability of dairying in Northern Ireland (D-11-00)
- Expanding output efficiently in environmentally friendly systems (D-12-01)
- Developing supplementation strategies for dairy cows (D-17-03)
- Low input forages for dairy cow production systems (D-21-04)
- Strategies for reducing lameness in Northern Ireland dairy herds (D-23-04)
- Investigate if MAP can survive the spray drying process (DCNI-D-25-04)
- Measurement of grass growth and utilisation and herd performance to enable the development and implementation of decision support systems to optimise performance in different regions of NI (D-28-06)
- A comparison of three contrasting systems of milk production for spring calving dairy cows (D-29-06)
- Improving heifer rearing regimes on farms in NI (D-30-06)
- The effect of protein levels in dairy cow diets on body reserves throughout lactation (D-31-06)
- Increasing dairy cow intakes by optimising feeding system design (D-33-06)
- Influence of breed, diet and body condition score on lameness in cattle (D-32-06)
- Effectiveness of footbath solutions for the treatment of digital dermatitis in cows – D-35-06

- Grass Check 3 Monitoring of grass and clover growth and sward quality across Northern Ireland – D-34-07
- Improving the efficiency of grass utilisation and nutrient use from slurry under rotational grazing of dairy cows
   D-35-07
- Health and immunity of dairy bred calves - D-36-07

## **Sheep Report**

## lan Buchanan Sheep Committee Chairman



In the ideal world the price received for our produce would rise annually to cover increased costs, but in the real world produce prices are fairly static necessitating the need to try and lower production costs.

The number of high output ewes required to sustain the family farm nowadays is more than most are able to cope with unless you have one convenient well laid out unit.

Taking on board these facts it is even more important to utilise local, practical research carried out today by a dedicated team based at Hillsborough.

Research to date has investigated many breed and cross breed types – all of which have a place in the industry depending on the farm system. The AgriSearch Sheep Committee will continue to present research findings to farmers at a practical level so that it can be integrated into their existing systems.

The interest shown by farmers in the ongoing research projects is very high. This was demonstrated by the large turnouts held at the two sets of farm walks, which were held on farms in January and June 2006.

Two new projects were commissioned by the Sheep Advisory Committee throughout the year:

- Developing breeding and management strategies to reduce lameness in the NI sheep industry.
- Research to evaluate the factors influencing the rates of adoption of sheep research in NI.

It is interesting to note that some breed societies seen to have taken on board these recent research findings and are adopting a much more open minded approach to their flock books.

We continue to be open minded about suggestions for further research projects and

will endeavour to continue to examine areas of need for the welfare of our sector.

lan Buchanan Sheep Committee Chairman

## **Sheep Projects**

## Completed

- Effects of genetics of cross-bred lowland ewes and terminal sires on lamb quality and carcass quality – booklet no 1 – S-01-97
- Developing low cost "natural care" systems of sheep production – booklet no 4 – S-02-99

#### Current

- Developing Low cost "easy care" systems of sheep production – S-03-01 – Extension to project – S-05-02
- Improved ewes for the hill sheep sector through crossbreeding – S-04-01 – extension – S-07-03
- Improved worm control strategies for sheep in the hill and lowland sectors – S-06-02 extension 1 – S-08-04, extension 2 – S-09-04
- Long term economic consequences of maintaining crossbred ewes in the hill sector – S-10-05
- Environmental consequences of maintaining crossbred ewes in the hill sector – S-11-05
- Selecting for easy care traits in lowland sheep S-12-05
- Development of breeding and management strategies to reduce lameness in the NI sheep industry
   S-13-07

 Research to evaluate the factors influencing the rates of adoption of sheep research in the Northern Ireland sheep industry – S-14-07

## Joint dairy/beef and sheep projects Completed

• Using information to reduce the costs of producing milk, beef and lamb – DBS-04-97



## For further information:

## **Contact The Secretary at AgriSearch**

97 Moy Road
Dungannon
Fax: 028 8778 9770

Pax: 028 8778 8200

BT71 7DX
Fmail: info@agrisearch.org

Northern Ireland
Web: www.agrisearch.org

www.agrisearch.org