

AgriSearch

Annual Report 2010

The Northern Ireland Agricultural Research
& Development Council Annual Report
with Accounts for the year to
31 March 2010



Trustees & Advisers during the year to 31 March 2010

Trustees

James Campbell (Chairman)
David Workman (Vice Chairman)
Nigel McLaughlin
Douglas Rowe
James Walker (Retired 8th June 2009)
Phelim O'Neill
Tom Henderson (Retired 5th October 2009)
Mary McCormack
Mervyn King
Ian Marshall
Seamus Haughey
John Dunlop (Appointed 8th June 2009)
Henry Jordan (Appointed 22nd February 2010)

Company Secretary

David Mark

Registered Office

Countryside Services Ltd
97 Moy Road
Dungannon
Co Tyrone, BT71 7DX

Solicitors

J McKee & Sons
The Linenhall
32-38 Linenhall Street
Belfast, BT2 8GB

Bankers

Northern Bank Limited
471-473 Antrim Road
Belfast, BT15 3BP

Registered Auditors

FGS McClure Watters
1 Lanyon Quay
Belfast, BT1 3LG

Dairy Advisory Committee

John Thompson (Chairman)
Albert Foster
Jonathan Moore
Dr Alan McIlmoyle
Gary McHenry
Harper Doupe
Drew McConnell
Peter Conway
David Stewart
Ian McCluggage

Beef Advisory Committee

Harry Sinclair (Chairman)
Edward Carson
Derek Shaw
Karl Mullan
Liam McCarthy
Dr Mike Tempest
Dr Colin McKee
Dr Raymond Steen
John Sheridan
Dr Steven Johnston

Sheep Advisory Committee

Ian Buchanan (Chairman)
David Chambers
Isaac Crilly
Samuel Wharry
Dr Jonathan Birnie
Barry Brogan
Dr Raymond Steen
Dr Steven Johnston

Committee Secretary

Lynsay Alcorn



AgriSearch Chairman's Report

The past twelve months have seen AgriSearch involved in more activities and facing new challenges. We have been active in obtaining information about research outside that funded by AgriSearch and I have undertaken to participate in a steering group for a major project funded by the UK Department of Environment, Food and Rural Affairs (DEFRA) on 'Methane Emission Factors from Livestock'.

A year ago we were picking up indications that pressure on public expenditure was going to lead to cuts that could affect the amount of government funding being made available for agricultural research. Slowly but surely this seems to be happening in Northern Ireland. This is in spite of the professed need for agriculture to produce more food and do it more efficiently – for the very good reason that the World's population is growing and the security of food supply is under threat. There is ongoing debate about changing weather patterns. Disruption caused by a cloud of volcanic ash served as a signal of how susceptible our civilisation is to natural events. Much focus is being placed upon the extent to which human

activity, including the business of farming, may be related to global warming through the production of so-called 'green house gases' (GHG). Science is indicating that more efficient production in economic terms also results in less emission of GHG, so there is potential gain on both fronts from any technique that increases the efficiency of production. Investment in research and development that results in improved efficiency in production is a positive means of raising an economy out of recession. So investment in agricultural research and development should be a priority for an economy, such as that of Northern Ireland, in which the agri-food industry plays such a major part.

Knowledge transfer

Having invested in research and obtained useful information and guidelines for more efficient production, the trustees are well aware that the real pay-off comes when that knowledge is applied in practice on farms. AgriSearch has put increasing effort into the latter during the past year – aiming to achieve uptake on more farms. This so-called 'knowledge and

technology transfer' (KTT) is being promoted in conjunction with researchers from the Agri-Food and Biosciences Institute (AFBI) and advisors from the College of Agriculture, Food and Rural Enterprise (CAFRE). Practical examples included sheep farm events in August 2009 and January 2010, which attracted good numbers. I wish to thank all involved on the host farms of Maurice McHenry, Isaac Crilly and John Martin. Also in partnership with AFBI, we hosted a beef research seminar for specialist advisers in October 2009 at Hillsborough. This followed the model of a previous seminar for sheep specialists held in January 2009. These two seminars were forerunners to similar events for the dairy sector, held in June 2010 and proposed for October this year.

In January 2010, AgriSearch held its first seminar in conjunction with the Young Farmers' Clubs of Ulster, specifically aimed at young people. This also involved young researchers at AFBI Hillsborough.

Our thanks are due in no small measure to the staff of AFBI for all of their input into these meetings.

AgriSearch Chairman's Report (Cont...)

AgriSearch was also pleased to note the appointment of Dr Alistair Carson as head of Agriculture Branch within AFBI in recent months. We have already experienced a good working relationship with Alistair and his team at Hillsborough.

We were involved with CAFRE and AFBI in an event on 1 July at the Greenmount Hill Farm, Glenwherry, on the theme 'Building an efficient suckler herd'. This was attended by around 900 people, mainly farmers and advisers. We have been working with the same partners to bring a beef heifer rearing specialist from the US to Northern Ireland for a series of workshops and seminars in September 2010.

Challenge

As this report goes to the printer, AgriSearch has just received confirmation that three projects submitted for consideration under the DARD Research Challenge Fund (RCF) will be accepted for 50% co-funding from that source. I think it is fair to say that the introduction of the RCF has been a learning experience for all concerned and the process

from submission of research proposals until the issue of letters of offer has taken longer than anticipated. This has put pressure on the timetables for the proposed research projects for which AgriSearch is seeking co-funding.

This RCF has introduced a new bureaucratic workload for AgriSearch in the presentation of proposed research projects for government funding. Assuming acceptance of any project, there will be further work in the administration of that project and the drawing down of funds.

During 2009/10 the trustees approved 7 research projects under our traditional method of operation. These are costed at £497,000 and are expected to involve £1.2m of complementary funding. The projects are listed on page 5 of this report. Since 1997, the investment in research commissioned by AgriSearch and co-funded by other bodies (mostly DARD) adds up to a total of over £16.9m, when this year's projects are included. We await final approval of co-funding for some of these projects and this is by no means assured.

During the year to March 2010, the income of AgriSearch from levies was down by over £30,000 (7.4%). This followed a drop of 4% in 2008/09. The most recent declines were by 7.2% in the dairy sector, by 2.9% in beef and by 18.4% in sheep. The decision by Foyle Meats to cease lamb processing from July 2010 seems set to further reduce the research levy income that can be collected through local processors in the sheep sector and creates a greater need for levy to be collected on lambs being sold through other outlets.

Levy rates continue at the levels set in 1997 – 0.02p/litre of milk processed, 20p per head of cattle and 5p per sheep slaughtered in NI.

Income from investments was down by over £11,000 (17.7%) compared to 2008/09.

The trustees have taken action to reduce governance costs. I am pleased to report that during the year to 31 March 2010 these have been cut by almost £14,000 (24.7%). Within that governance, the administration costs were reduced by £8,637 (17.8%) to just under £40,000. Following a tender for audit services, AgriSearch appointed

AgriSearch Chairman's Report (Cont...)

new auditors, FGS McClure Watters. Figures and notes to the accounts for 2009/10 given on pages 6 to 12 of this report are as reported by the auditors and approved by the trustees on 7th June, 2010.

People

The retirement of Tom Henderson at the AGM in October 2009 meant that the last of the original trustees of AgriSearch was no longer on the board. Tom was involved in the setting up of the NI Agricultural Research and Development Council and showed strong commitment and guidance to the organisation for more than 12 years.

In February 2010, the board welcomed Henry Jordan, who was nominated by the Ulster Farmers' Union as the trustee to replace Tom.

In last year's report, the retirement of Dr Moore Chesnutt as scientific adviser on the AgriSearch sheep advisory committee was noted and his dedicated service over many years was acknowledged. It is pleasing to have Dr Raymond Steen step in to that role. He provides a similar service to the beef advisory committee.

John Herron's retirement from CAFRE, in August 2009, left an advisory position to be filled on each of those committees. This has been occupied by Steven Johnston. Both he and Ian McCluggage, who continued throughout the year on the dairy committee, have contributed very usefully to the deliberations of the respective committees and to other work of AgriSearch. Having replaced James Walker on the board as a representative of the dairy levy collectors, John Dunlop was a very active contributor to the work of the trustees for one year until he stepped down following his election as chairman of United Dairy Farmers in April 2010. William Hanna has been nominated to replace John as a trustee of AgriSearch.

As part of an initiative to involve young farmers in the work of the advisory committees, we have also welcomed Barry Brogan onto the sheep committee and nominees from the YFCU, Roger McCracken and James Taylor, on the dairy and beef committees respectively after 31 March 2010.

In late August, Gary McHenry was elected to chair the dairy advisory committee. He took

over from John Thompson, who had taken on the presidency of the Ulster Farmers' Union earlier in the year.

On behalf of the trustees, I wish to thank all Chairmen and members of the committees and our other advisers who assisted AgriSearch during the past year. I also want to thank Countryside Services Ltd and in particular David Mark and Lynsay Alcorn for their input to the work of AgriSearch and for the way that they have addressed the issues of cost containment. My personal thanks are also due to my vice chairman, David Workman, for his advice and support.

£14,000

Reduced governance costs during the year up to 31 March 2010 - a saving of 24.7%

Projects Commissioned by AgriSearch between 1st April 2009 and 31st March 2010

Genetic Evaluation for the NI dairy industry

Robust Milking systems

Effect of nutritional management during the first 42 days post calving on 'lactational' performance, uterine health, and subsequent reproductive performance post partum

GrassCheck 4 - Targeting the improvement of grass utilisation under grazing through the monitoring of grass and clover growth across Northern Ireland

Environmental implications of livestock grazing on a range of differing LFA environments

Developments in breeding strategies to further improve the production efficiency of hill and lowland sheep systems

NI Agricultural Research and Development Council

Statement of Financial activities (including income and expenditure account) for the year ended 31 March 2010

		Unrestricted Funds	
	Notes	2010 £	2009 £
Incoming Resources			
Incoming Resources from generated funds			
Milk Income		281,703	303,802
Beef Income		74,644	76,911
Sheep Income		27,326	33,470
Investment Income		52,559	63,840
Total Incoming Resources		436,232	478,023
Resources Expended			
Charitable Expenditure			
Direct Programme Expenditure	13	497,446	459,641
Dissemination Costs		33,275	32,160
Governance Costs			
Management and Administration	2	42,645	56,632
Total Resources Expended		573,366	548,433
Net Outgoing Resources for the year	3	(137,135)	(70,410)
Fund Balance brought forward at 1 April 09		435,719	506,129
Fund Balance carried forward at 31 March 10	14	298,584	435,719

All amounts above relate to the 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 outgoing resources and the funds for the financial year stated above and their historical cost equivalents.

NI Agricultural Research and Development Council

Balance sheet at 31st March 2010

	Notes	2010 £	2009 £
Fixed assets			
Tangible assets	7	-	2,541
Investments			
Investments	8	273,018	-
Current assets			
Debtors	9	120,583	109,099
Cash at bank	10	1,039,783	1,324,940
		1,160,366	1,434,039
Creditors: amounts falling due within one year	11	(310,396)	(310,021)
Net current assets		849,970	1,124,018
Total assets less current liabilities		1,122,988	1,126,559
Creditors: amounts falling due after more than one year	12	(824,404)	(690,840)
Net assets		298,584	435,719
Funds			
Unrestricted funds		298,584	435,719
Total funds	14	298,584	435,719

The financial statements were approved by the Trustees on 07 June 2010 and were signed on their behalf by:

James Campbell
Director

Notes to the financial statements for the year ended 31 March 2010

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 Act 2006 and applicable accounting standards. The principal accounting policies are set out below.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation.

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost [or valuation] of tangible fixed assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned. The principal annual rates used are as follows: Computer equipment - 20% straight line

Investments

Investments are valued at Open Market value as at 31st March 2010.

Incoming resources

Income represents all monies, on an accruals basis, collected on behalf of the Company by its agents. The levy rates charged to producers 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. These 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 and other support functions.

Value Added Tax

The Company is not registered for VAT purposes; therefore expenditure in total 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.

Investment Income

Investment income is recognised on a receivable basis and arises from interest bearing deposit accounts.

NI Agricultural Research and Development Council

Notes to the financial statements for the year ended 31 March 2010

2. Management & Administration

	2010 £	2009 £
Promotion, publications and advertising	2,900	8,250
Administrative costs	39,745	48,382
	42,645	56,632

3. Net outgoing resources

	2010 £	2009 £
This is stated after charging:		
Auditors' remuneration	1,775	2,500
Depreciation of tangible fixed assets		
- on owned assets	2,541	2,543

4. Employee Information

	2010	2009
Average monthly number of persons employed by the Council (including Trustees) during the period by activity		
Administration	13	13

5. Trustees' emoluments

The Trustees received no emoluments during the year (2009: Nil) and no other pension costs were accruing to trustees in either year.

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.

NI Agricultural Research and Development Council

Notes to the financial statements for the year ended 31 March 2010

7. Fixed Assets

	Computer Equipment	£
Cost		
At 1 April 2009 and 31 March 2010		12,713
Accumulated depreciation		
At 1 April 2009		10,172
Charge for year		2,541
At 31 March 2010		12,713
Net book value		
At 31 March 2010		-
At 31 March 2009		2,541

8. Investments

Investments purchased during the year are primarily held to provide an investment return for the charity.

The movements in investments in the year were:

	2010	£
Market Value at 1 April 2009	-	
Additions	250,000	
Change in Market Value	23,018	
Market Value at 31 March 2010	273,018	

9. Debtors

	2010	£	2009	£
Levy debtors	93,214		94,843	
Prepayments and accrued income	27,369		14,256	
	120,583		109,099	

NI Agricultural Research and Development Council

Notes to the financial statements for the year ended 31 March 2010

10. Cash at Bank	2010 £	2009 £
	1,039,783	1,324,940

11. Creditors: amounts falling due within one year

	2010 £	2009 £
Trade creditors	3,124	2,980
Other creditors - committed expenditure (note 12)	304,590	292,238
Accruals and deferred income	2,682	14,803
At 31 March	310,396	310,021

12. Creditors: amounts falling due after one year

	2010 £	2009 £
Other creditors – committed expenditure (note 13)	824,404	690,840

13. Committed grant expenditure

	2010 £	2009 £
Committed expenditure at 1 April	983,078	1,180,227
Further commitments during the year	497,446	537,354
Cancelled project	-	(77,713)
Paid during the year	(351,530)	(656,790)
At 31 March	1,128,994	983,078

14. Reconciliation of movement in accumulated funds

	2010 £	2009 £
At 1 April	435,719	506,129
Net outgoing resources for the year	(137,135)	(70,410)
At 31 March	298,584	435,719

15. Share capital – limited by guarantee

The Northern Ireland Agricultural Research & Development Council is a company limited by guarantee. The liability of the members is limited to an amount not exceeding £1.

NI Agricultural Research and Development Council

Management and administration expenditure for the year ended 31 March 2010

	2010 £	2009 £
Promotions, publications, advertising and educational activities		
Annual Report Publication	445	6,017
Advisory Support Costs	2,445	2,233
	2,900	8,250
Administrative costs		
Management charge: Countryside Services Limited	17,281	23,519
Audit and accountancy fees	1,775	2,812
Insurance	2,539	2,720
Miscellaneous expenses	439	531
Web Design & Upkeep	360	-
Postage	150	376
Computer software support	1,466	816
Chairman's honorarium	5,217	5,500
VAT costs	7,847	9,455
Depreciation	2,541	2,543
Bank fees	130	110
	39,745	48,382

Notes

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AgriSearch Booklets

- 1 / SHEEP**
The Effects of Genetics of Lowland Cross-Bred Ewes and Terminal Sires on Lamb Output and Carcass Quality
- 2 / DAIRY**
A Comparison of Four Grassland-Based Systems of Milk Production for Winter Calving High Genetic Merit Dairy Cows
- 3 / DAIRY**
Dairy Herd Fertility - Examination of Effects of Increasing Genetic Merit and other Herd Factors on Reproductive Performance
- 4 / SHEEP**
Developing Low Cost 'Natural-Care' Systems of Sheep Production
- 5 / BEEF**
An Examination of Factors affecting the Cleanliness of Housed Beef Cattle
- 6 / BEEF**
The Effects of Housing System on Performance, Behaviour and Welfare of Beef Cattle
- 7 / DAIRY**
Developing Improved Heifer Rearing Systems
- 8 / BEEF**
The Influence of Suckler Cow Genetics and Terminal Sire on Performance of the Suckler Herd
- 9 / DAIRY & BEEF**
Reducing Organic Nitrogen Output from Dairy Cows and Beef Cattle in Nitrate Vulnerable Zones
- 10 / DAIRY**
The Effect of the Type of Dietary Supplement on the Performance of the Grazing Dairy Cow
- 11 / DAIRY**
Are International Dairy Sire Genetic Evaluations Relevant to Milk Production Systems in Northern Ireland?
- 12 / BEEF**
Holstein Bull Beef Production
- 13 / DAIRY**
Effective Footbathing of Dairy Cows
- 14 / DAIRY**
Effects of Feeding Forage Maize & Whole Crop Silages on the Performance of Dairy Cows Offered Two Qualities of Grass Silage
- 15 / BEEF**
Maximising Beef Output from the Suckler Herd Through the Production of Heavy Bulls
- 16 / DAIRY**
The Effect of Reducing the Protein Content of the Diet on the Performance of Dairy Cows
- 17 / DAIRY**
Comparisons of Dairy Cow Management Strategies which Differ in Labour Inputs
- 18 / DAIRY**
Reducing Phosphorus Levels in Dairy Cow Diets



97 Moy Road **T:** 028 8778 9770
Dungannon **F:** 028 8778 8200
Co Tyrone **E:** info@agrisearch.org
BT71 7DX **W:** www.agrisearch.org