

Registered number: NI 35855

Charity number: XR 23492

**The Northern Ireland Agricultural Research & Development Council**  
**A company limited by guarantee**  
**Annual report**  
**For the year ended 31 March 2013**

**RSM McClure Watters**

Chartered Accountants

Registered Auditors

# The Northern Ireland Agricultural Research and Development Council

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**REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISORS**  
**Year to 31 March 2013**

**Trustees**

James Campbell (Chairman)  
David Workman (Vice Chairman)  
William Hanna  
Henry Jordan  
Mervyn King  
Ian Marshall  
John Martin (appointed 8 October 2012)  
Mary McCormack  
Nigel McLaughlin (retired 8 October 2012)  
Oisin Murnion (appointed 8 October 2012)  
Phelim O'Neill  
Douglas Rowe

**Name by which charity makes itself known**

AgriSearch

**Registered Office**

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

**Company Secretary\***

David Mark (retired 27 June 2013)

**Project Manager** (senior staff member delegated day to day management)\*

Jason Rankin

**Charity Number**

XR 23492

**Registered Number**

NI 35855

**Bankers**

Danske Bank Limited  
471 – 473 Antrim Road  
Belfast  
BT15 3BP

**Solicitors**

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

**Registered Auditors**

RSM McClure Watters  
1 Lanyon Quay  
Belfast  
BT1 3LG

\*Secretariat services provided by Countryside Services Limited

## Advisers

### Dairy Advisory Committee

Peter Conway  
Harper Doupe  
Albert Foster  
Andrew Magowan (appointed 1 April 2012)  
Ian McCluggage (Non-voting CAFRE liaison)  
Roger McCracken  
Drew McConnell -Vice Chairman  
Gary McHenry -Chairman  
Dr Alan McIlmoyle  
Jonathan Moore  
David Stewart

### Beef Advisory Committee

Sam Chesney -Vice Chairman  
Ray Elkin (appointed 1 April 2012)  
Neville Graham (Non-voting CAFRE liaison)  
George McAuley (appointed 1 April 2012)  
Liam McCarthy  
William McIlroy (appointed 1 April 2012)  
Derek Shaw  
John Sheridan  
Dr Raymond Steen  
Ian Stevenson  
James Taylor -Chairman  
Maurice Watson (appointed 1 April 2012)

### Sheep Advisory Committee

Edward Adamson (appointed 1 April 2012)  
Dr Jonathan Birnie  
Barry Brogan  
Ian Buchanan -Chairman (retired 31 March 2013)  
Crosby Cleland (appointed 1 April 2012)  
Isaac Crilly  
Neville Graham (Non-voting CAFRE liaison)  
Seamus Maginn (appointed 1 April 2012)  
Dr Raymond Steen  
Campbell Tweed (appointed 1 April 2013)  
David Wallace (appointed 1 April 2012)  
Samuel Wharry -Vice Chairman

### Committee Secretary

Jason Rankin

# **The Northern Ireland Agricultural Research and Development Council**

## **Trustees' Annual Report For The Year Ended 31 March 2013**

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The Trustees present their annual report and the audited financial statements for the year ended 31 March 2013. The information with respect to the Trustees and Advisers set out on pages 1 and 2 forms part of this report. The financial statements comply with current statutory requirements, the Memorandum and Articles of Association, applicable Accounting Standards in the United Kingdom and the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" issued in March 2005.

### **STRUCTURE, GOVERNANCE AND MANAGEMENT**

'AgriSearch' is the trading name for the Northern Ireland Agricultural Research & Development Council, a charitable company, limited by guarantee with no share capital. It is governed by its Memorandum and Articles of Association. The Board of Trustees, who are also the Directors of the Charitable Company, are appointed by the Council. The Trustees appoint three Advisory Committees to consider and monitor appropriate research projects.

#### **Methods, policies and procedures for recruitment, appointment, induction and training of new trustees**

The Articles of Association indicate that any reference to "the Trustees" means the Directors of the charity. The Trustees of the company during the year to 31 March 2013, all of whom have been Trustees for the whole year ended on that date, unless otherwise stated, are listed on page 1.

Following a review of procedures, a revised appointment process has been implemented since 2007. New Trustees have an induction briefing from the Chairman and/or Company Secretary which provides information and guidelines on their tasks and responsibilities together with an outline of the objectives of AgriSearch. They also receive copies of past Trustee minutes and approved research proposals.

Nominations are received from the Ulster Farmers' Union for three farmer trustees. On behalf of processors (who are levy collectors) DairyUK and NI Meat Exporters Association nominate one trustee each.

Three farmer trustees are recruited independently with the aim of ensuring that relevant differing aspects of farm husbandry are represented as far as possible and that there is widespread representation across Northern Ireland.

Up to three independent trustees are recruited who are not active farmers but have standing within the agricultural community and have experience of a commercial environment.

For the recruitment of the 'independent' trustees, the posts are advertised in the agricultural press and a selection process is carried out using pre-determined relevant criteria.

Members of the charity are approved at the AGM following nomination by the Trustees.

#### **Name of persons external to the charity who are entitled to appoint trustees**

While nominations for Trustees are received from the Ulster Farmers' Union, DairyUK and NIMEA the final decision as to who to appoint is at the discretion of the members of the charity.

# **The Northern Ireland Agricultural Research and Development Council**

## **Trustees' Annual Report For The Year Ended 31 March 2013**

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### **Organisational structure and how decisions are made**

The Board of Trustees meets three times per year and each of the Advisory Committees meets when required to review funding and expenditure proposals. The Chairman, Vice-Chairman, Company Secretary and Project Manager meet frequently to review the day to day operation and governance of the organisation.

The three advisory committees are made up of farmer members, independent scientific advisors and representatives of the processing sectors. Their role is to identify and evaluate research proposals and recommend projects to the Trustees. Each committee includes one representative of CAFRE in an advisory capacity.

The trustees review all proposals from advisory committees, taking into account the finances of the organisation and the strategic direction before deciding to approve the recommendations or return them to the relevant committees for further consideration or rejection.

### **Risk management**

A Risk Policy and a Risk Register have been agreed. Under the Policy the Trustees will review annually the major risks to which the charity is subject and how to manage them. The Register is reviewed each year. A key element in the management of financial risk is the setting of a Reserves Policy and its regular review by the Trustees.

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 segregation of duties and the identification, review and management of strategic, business and operational risks.

### **OBJECTIVES AND ACTIVITIES**

The principal activity of the Council is to fund research and development in the agricultural industry. The Charity's objects are to advance education for the public benefit, in particular, by conducting and commissioning research into the improvement and development of sheep, beef and dairy farming and to disseminate and publish the useful results of such research.

### **Aims including changes it seeks to make through its activities**

The charity is dependent on the goodwill of its levy funders. Given this, the Trustees have put in place a range of systems to try to ensure appropriate research projects are commissioned, that research findings are innovatively disseminated and that feedback and engagement are sought. Innovative research and development is a key strategy within Government targets. AgriSearch is also committed to innovative research and development and aims to maximise its influence and impact.

It is also the policy of the Trustees that the return on investment of the funds directed to research is analysed and measured to ensure optimum value for money on behalf of the charity's funders. Increasingly, as research projects reach conclusion, greater emphasis is being placed on the dissemination of findings and the adoption by industry of the key recommendations into every day working practice. Environmental and animal welfare considerations continue to be more significant factors in the sustainability of farming and AgriSearch takes increasing notice of these factors.

**Trustees' Annual Report  
For The Year Ended 31 March 2013**

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**Main objectives for the year and strategies for achieving them**

- To engage with DARD on the 2013 Evidence and Innovation call to try to ensure that projects commissioned meet the needs of our farmer levy payers.
- To maximize the leverage of funds from sources outside AgriSearch.
- To increase the knowledge transfer activities of AgriSearch in co-operation with AFBI and CAFRE to improve the dissemination of AgriSearch funded research.
- To engage with other levy bodies in Great Britain and Europe to pool resources, avoid the duplication of research and place ourselves in a position to draw down funding under the EU Horizon 2020 programme.
- To continue with our review of corporate governance.

**Details of significant activities for achieving objectives**

- Advisory committees tasked with starting from a “blank sheet” to identify gaps in research.
- Website continually updated and Ezines published at frequent intervals.
- 5 farmer booklets published during the year
- Recruited a Global Research Officer through Queen's University
- Maintained profile of AgriSearch in the print media with regular articles in the farming press and local newspapers.
- 6 beef, 3 dairy and 3 sheep farm walks held during the year in conjunction with AFBI and CAFRE
- Convened meetings of Dairy Breeding and Dairy Nutrition stakeholder groups to facilitate knowledge exchange with industry.
- Worked with the UK Red Meat Joint R&D Committee to develop a joint research programme on sheep genomics.
- Contributed to a new European Database of dairy research
- Corporate governance training event for Trustees

**Public Benefit**

The trustees consider these objectives, activities and goals have a clear public benefit in enhancing the economic welfare of rural communities, improving animal welfare and reducing the environmental footprint of agriculture in Northern Ireland.

**Policies for making programme related investments**

Investments in research programmes take into account value for money, affordability and the potential for the research to be adopted in practice on farms in Northern Ireland.

Any research proposal must address at least one of the following key pillars:

- Sustainability / profitability
- Environmental Impact
- Animal Welfare
- Food quality / safety

# **The Northern Ireland Agricultural Research and Development Council**

## **Trustees' Annual Report For The Year Ended 31 March 2013**

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The Trustees also look for additional external funding in any research projects they approve. This is mainly obtained through the Department of Agriculture's Evidence and Innovation Strategy and Research Challenge Fund programmes. The Trustees are also actively looking at other sources of funding such as the European Union and are liaising with organizations across the UK and Europe to collaborate where appropriate.

### **Explanation of significant use of volunteers in its charitable or income generating activities**

The charity makes significant use of volunteers in the course of its work. In addition to the Trustees the members of the three sectoral advisory committees give freely of their time in attending and preparing for committee meetings as well as supporting AgriSearch in the events that it runs.

In addition many of AgriSearch's research programmes are based on commercial Northern Ireland farms who only receive a nominal payment for the time they spend on these projects and who make their herds and flocks available for research as well as allowing access to farm records and hosting extension events on their farms.

### **ACHIEVEMENTS AND PERFORMANCE**

The statement of financial activities for the year is set out on pages 11 and 12 of this report. The net movement in funds for the financial year is net outgoing resources of £106,937 (2012: net incoming resources of £421,219). During the year AgriSearch agreed to fund fourteen projects totaling £491,148 on the basis that complementary funding in the region of £2,843,846 would be sought from Department of Agriculture and Rural Development and other sources. When other sources of funding are added, the total expenditure on the related research and development since the formation of AgriSearch in 1997 is over £20.7m.

### **Review of charitable activities explaining performance against objectives**

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business

### **Investment performance against objectives**

Cash flow and reallocation of funds between accounts has been managed to maximize the limited returns available on deposit accounts. The Danske Bank managed portfolio has returned satisfactory performance with an average return of 7.5% per annum. A further £100,000 was invested in the Danske Bank Managed Portfolio during the financial year. The trustees have reviewed the portfolio and returns and are satisfied with the management of risk and investment income.

## **FINANCIAL REVIEW**

### **Results**

The net outgoing resources for the financial year were £106,937 (2012: incoming £421,219).

### **Reserves Policy**

The Trustees have established a policy whereby the company's 'Free' reserves, being funds not committed to third parties for research should represent at least 12 months management and administration costs. At this level, the Trustees are of the view that the company would be able to continue its activities in the event of a significant drop in funding. The level of reserves held at the



# **The Northern Ireland Agricultural Research and Development Council**

## **Trustees' Annual Report For The Year Ended 31 March 2013**

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year ended 31 March 2013 is £500,496. In addition, in order to ensure continuity of operations, further reserves are held for the ongoing commissioning of research. AgriSearch works with other stakeholders to ensure maximum leverage of funds. Reserves held can vary depending on the timing of decisions made by co-funders. The Trustees consider that the present level of reserves adequately meets these combined objectives.

### **Principal funding sources and how expenditure has supported key objectives**

Principal funding sources are terms-of-trade levies collected on a voluntary basis by Northern Ireland processors of dairy, beef and sheep.

### **Investment policy and objectives**

The investment policy is low risk. The majority of funds are held in bank deposits across a number of institutions as agreed by the Trustees. A portion of funds which are not required in the short term are invested within an investment portfolio managed by the Danske Bank with low risk instructions.

## **PLANS FOR FUTURE PERIODS**

### **Explanation of aims and key objectives and details of planned activities**

- Continue our involvement in the European Cattle Innovation Partnership to avoid the duplication of research and to facilitate drawing down European Horizon 2020 funding.
- Use our new Global Research Officer (recruited through Queen's University) to harvest results of international dairy research and avoid the duplication of research.
- To maintain the reach of our knowledge transfer programme through further on-farm events, seminars and by increasing the circulation of the Ezine and increasing traffic to the website.
- To engage with the Agri-Food Strategy Board to ensure a high priority is given to research and knowledge transfer and ensure co-ordination of research and knowledge transfer activities and maximize synergies.

### **Statement of Trustees' responsibilities in respect of the annual report and the financial statements**

The Trustees are responsible for preparing the annual report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare the financial statements for each financial year which give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of affairs of the company and of the profit or loss of the company for that period. In preparing those financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis, unless it is inappropriate to presume that the company will continue in business.

The Trustees confirm that they have complied with the above requirements in preparing the financial

# **The Northern Ireland Agricultural Research and Development Council**

## **Trustees' Annual Report For The Year Ended 31 March 2013**

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statements.

The Trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the 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 company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### **Statement of disclosure of information to auditors**

So far as each of the Trustees in office at the date of approval of these financial statements is aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### **Small companies' exemption**

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

### **Independent auditors**

The auditors, RSM McClure Watters are deemed to be reappointed under section 487(2) of the Companies Act 2006.

By order of the Board

James Campbell

**Director**

**24 June 2013**

# **The Northern Ireland Agricultural Research and Development Council**

## **Independent Auditors' Report For The Year Ended 31 March 2013**

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We have audited the financial statements of The Northern Ireland Agricultural Research & Development Council for the year ended 31 March 2013, which comprise the Statement of Financial Activities incorporating the Income and Expenditure Account, the Balance Sheet and the related notes. These financial statements have been prepared in accordance with the Financial Reporting for Smaller Entities (effective April 2008), and on the basis of the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members 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 company and company's members as a body, for our audit work, for this report, or for the opinions we have formed.

### **Respective responsibilities of trustees and auditors**

The responsibilities of the trustees (who also act as directors of The Northern Ireland Agricultural Research and Development Council for the purposes of company law) for preparing the Trustees' Annual Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Trustees' Responsibilities. Our responsibility is to audit the financial statements in accordance with the relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and the Companies Act 2006. We report to you whether, in our opinion, the information given in the Trustees' Annual Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. This other information comprises only Trustees' Report and schedule of management administration expenses. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information.

### **Basis of audit opinion**

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

# **The Northern Ireland Agricultural Research and Development Council**

## **Independent Auditors' Report For The Year Ended 31 March 2013**

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

### **Opinion**

In our opinion:

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charitable affairs as at 31 March 2013 and of its incoming resources and application of resources including its income and expenditure) for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 2006; and
- the information given in the Trustees' Annual Report is consistent with the financial statements.

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

**D W Gray (Senior Statutory Auditor)  
For and on behalf of RSM McClure Watters**

**24 June 2013**

**Chartered Accountants  
Statutory Auditor**

**Number One  
Lanyon Quay  
Belfast  
BT1 3LG**

# The Northern Ireland Agricultural Research and Development Council

## Statement of financial activities (including income and expenditure account) For the year ended 31 March 2013

|  |       | Unrestricted Funds |           |
|--|-------|--------------------|-----------|
|  | Notes | 2013<br>£          | 2012<br>£ |
| <b>Incoming resources</b>                                      |       |                    |           |
| <b>Incoming resources from generated funds:</b>                |       |                    |           |
| <b>Voluntary Income</b>  |       |                    |           |
| Milk income  |       | 323,123            | 315,101   |
| Beef income  |       | 79,243             | 77,559    |
| Sheep income   |       | 20,663             | 14,892    |
| Sheep Income – Contribution from Livestock and Meat Commission |       | 20,000             | -         |
| Grant income (DARD Research Challenge Fund)                    |       | 31,322             | 302,576   |
| Dissemination income   |       | -                  | 830       |
|  |       | 474,351            | 710,958   |
| <b>Investment income</b>                                       |       |                    |           |
|  |       | 23,393             | 39,256    |
| Total incoming resources                                       |       | 497,744            | 750,214   |
| <b>Resources expended</b>                                      |       |                    |           |
| <b>Costs of charitable activities</b>                          |       |                    |           |
| Direct programme expenditure                                   |       | 499,957            | 227,490   |
| Dissemination costs  |       | 41,843             | 35,593    |
| <b>Governance costs</b>  |       |                    |           |
| Management and administration                                  | 2     | 62,881             | 65,912    |
| Total resources expended                                       |       | 604,681            | 328,995   |
| Net movement in funds for the year                             | 3     | (106,937)          | 421,219   |
| Fund balance brought forward at 1 April 2012                   |       | 607,433            | 186,214   |
| Fund balance carried forward at 31 March 2013                  | 13    | 500,496            | 607,433   |

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 outgoing resources and the funds for the financial year stated above and their historical cost equivalents.

# The Northern Ireland Agricultural Research and Development Council

## Balance Sheet As at 31 March 2013

|  | Notes | 2013<br>£ | 2012<br>£ |
|--|-------|-----------|-----------|
| <b>Fixed assets</b>  |       |           |           |
| Tangible assets  | 6     | -         | -         |
| Investments  | 7     | 401,947   | 285,621   |
|  |       | 401,947   | 285,621   |
| <b>Current assets</b>  |       |           |           |
| Debtors  | 8     | 112,300   | 162,118   |
| Cash at bank and in hand                                       | 9     | 726,824   | 972,103   |
|  |       | 839,124   | 1,134,221 |
| <b>Creditors: amounts falling due within one year</b>          | 10    | (518,396) | (613,408) |
| <b>Net current assets</b>                                      |       | 320,728   | 520,813   |
| <b>Total assets less current liabilities</b>                   |       | 722,675   | 806,434   |
| <b>Creditors: amounts falling due after more than one year</b> | 11    | (222,179) | (199,001) |
| <b>Net assets</b>  |       | 500,496   | 607,433   |
| <b>Funds</b>   |       |           |           |
| Unrestricted funds   |       | 500,496   | 607,433   |
| <b>Total funds</b>   | 13    | 500,496   | 607,433   |

The accounts have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements on pages 11 and 12 were approved by the Trustees on 24 June 2013 and were signed on their behalf by:

James Campbell  
**Director**

**Company Registration number: NI 35855**

**Notes To The Financial Statements  
For The Year Ended 31 March 2012**

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**1. Accounting policies**

These financial statements are prepared on the going concern basis under the historical cost convention and in accordance with applicable United Kingdom accounting standards, the Statement of Recommended Practice (SORP) "Accounting and Reporting by Charities" published in March 2005, the Companies Act 2006 and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008). 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 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 31 March 2013. Investment income is recognised on a receivable basis and arises from interest bearing deposit accounts.

**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

Included within sheep income in the year is a contribution of £20,000 from the Livestock & Meat Commission.

**Grants receivable**

Grants are recognised in the statement of financial activities in the period in which they are receivable. Income is deferred only when the charity has to fulfill conditions before becoming entitled to it, or where the funder has specified that the income is to be expended in a future period.

**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.

# The Northern Ireland Agricultural Research and Development Council

## Notes To The Financial Statements (Continued) For The Year Ended 31 March 2013

### Unrestricted Funds

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

### 2 Management and Administration

|   | 2013   | 2012   |
|---|--------|--------|
|   | £      | £      |
| Promotion, publications and advertising | 8,082  | 6,750  |
| Administrative costs                    | 54,799 | 59,162 |
|   | 62,881 | 65,912 |

### 3 Net incoming (outgoing) resources

|                                       | 2013  | 2012  |
|---------------------------------------|-------|-------|
|                                       | £     | £     |
| This is stated after charging:        |       |       |
| Auditors' remuneration                | 2,250 | 2,550 |
| Depreciation of tangible fixed assets |       |       |
| - on owned assets                     | -     | -     |

### 4 Trustees' emoluments and expenses

The Trustees received no emoluments during the year (2012: Nil) and no other pension costs were accruing to trustees in either year.

The Trustees received expenses of £3,134 during the year (2012: £2,142) for travel.

### 5 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.



# The Northern Ireland Agricultural Research and Development Council

## Notes To The Financial Statements (Continued) For The Year Ended 31 March 2013

### 6 Fixed assets

|                                   | <b>Computer<br/>Equipment</b> |
|-----------------------------------|-------------------------------|
|                                   | <b>£</b>                      |
| Cost                              |                               |
| At 1 April 2012 and 31 March 2013 | 12,713                        |
| Accumulated depreciation          |                               |
| At 1 April 2012                   | 12,713                        |
| Charge for year                   | -                             |
| At 31 March 2013                  | 12,713                        |
| Net book value                    |                               |
| At 31 March 2013                  | -                             |
| At 31 March 2012                  | -                             |

### 7 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

|                               | <b>2013<br/>£</b> |
|-------------------------------|-------------------|
| Market Value at 1 April 2012  | 285,621           |
| Additions                     | 100,000           |
| Change in Market Value        | 16,326            |
| Market Value at 31 March 2013 | 401,947           |

### 8 Debtors

|                                | <b>2013<br/>£</b> | <b>2012<br/>£</b> |
|--------------------------------|-------------------|-------------------|
| Trade debtors – levy debtors   | 102,387           | 109,677           |
| Prepayments and accrued income | 9,913             | 52,441            |
|                                | 112,300           | 162,118           |

### 9 Cash at bank and in hand

|              | <b>2013<br/>£</b> | <b>2012<br/>£</b> |
|--------------|-------------------|-------------------|
| Cash at bank | 726,824           | 972,103           |

# The Northern Ireland Agricultural Research and Development Council

## Notes To The Financial Statements (Continued) For The Year Ended 31 March 2013

### 10 Creditors: amounts falling due within one year

|   | 2013    | 2012    |
|---|---------|---------|
|   | £       | £       |
| Trade creditors                                   | 91,232  | 123,684 |
| Other creditors - committed expenditure (note 12) | 415,745 | 487,928 |
| Accruals and deferred income                      | 11,419  | 1,796   |
|   | 518,396 | 613,408 |

### 11 Creditors: amounts falling due after one year

|   | 2013    | 2012    |
|---|---------|---------|
|   | £       | £       |
| Other creditors — committed expenditure (note 12) | 222,179 | 199,001 |

### 12 Committed Grant Expenditure

|                                       | 2013      | 2012      |
|---------------------------------------|-----------|-----------|
|                                       | £         | £         |
| Committed expenditure at 1 April 2012 | 686,929   | 1,301,213 |
| Further commitments during the year   | 491,148   | 451,261   |
| Cancelled project                     | -         | (311,060) |
| Paid during the year                  | (540,153) | (754,485) |
| At 31 March 2013                      | 637,924   | 686,929   |

### 13 Reconciliation of movement in accumulated funds

|  | 2013      | 2012    |
|--|-----------|---------|
|  | £         | £       |
| At 1 April 2012                                | 607,433   | 186,214 |
| Net incoming (outgoing) resources for the year | (106,937) | 421,219 |
| At 31 March 2013                               | 500,496   | 607,433 |

### 14 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.

**Notes To The Financial Statements (Continued)**  
**For The Year Ended 31 March 2013**

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**15 Related Party Transactions**

During the year to 31 March 2013 the Vice Chairman of the Board of Trustees, David Workman, received a total of £1,398.55 expenses in respect of his position as a member of interview panels involved in recruitment of farmer co-researchers for project RCF-05 and a Global Research Officer at Queen's University Belfast.

Also, during the year there were members of the AgriSearch advisory committees and Board of Trustees who were involved as farmer co-researchers in projects which AgriSearch co-funded. The advisory committees are in place to review funding and expenditure proposals. In one case this involved the receipt of payments from AgriSearch for the service provided, based on estimated time spent on the research project on the farm, as follow:

- Drew McConnell who is a member of the Dairy Advisory Committee received £3,905 during the financial year for his participation in the RCF-03 & RCF-05 projects.

The following members of the Sheep Advisory Committee, Ian Buchanan, Crosby Cleland, Isaac Crilly, Seamus Maginn and Samuel Wharry along with the following member of the Board of Trustees, John Martin, were involved in on-farm sheep research and received payments from the research provider (AFBI) for the project, however no payments were received from AgriSearch.

**The Northern Ireland Agricultural Research and Development Council**

**Management and Administration Expenditure  
Year Ended 31 March 2013**

| <b>Management and Administration Expenditure</b> | <b>2013</b>   | <b>2012</b>   |
|--|---------------|---------------|
|  | <b>£</b>      | <b>£</b>      |
| Annual report publication                        | 1,021         | 899           |
| Advisory support costs                           | 7,061         | 5,851         |
| Management charge: Countryside Services Limited  | 21,381        | 22,262        |
| Audit and accountancy fees                       | 2,704         | 2,250         |
| Insurance  | 2,554         | 2,523         |
| Miscellaneous expenses                           | 3,084         | 1,570         |
| Web Design and Upkeep                            | 111           | 2,450         |
| Venue costs                                      | -             | 270           |
| Computer software support                        | 816           | 1,641         |
| Chairman's honorarium                            | 6,250         | 6,250         |
| VAT costs  | 11,347        | 12,289        |
| Catering   | -             | 2,515         |
| Postage  | 716           | -             |
| Rental Fee                                       | 5,000         | 5,000         |
| Depreciation                                     | -             | -             |
| Bank fees  | 836           | 142           |
|  | <b>62,881</b> | <b>65,912</b> |