



Irish Co-operative Organisation Society Limited



103rd Annual Report 1997

Contents

| | |
|--|----|
| Corporate Profile of ICOS | 2 |
| Foreword | 3 |
| Annual Report 1997 | 4 |
| ICOS Board 1997/ICOS National Council | 8 |
| Distribution of ICOS Member Co-operatives (Map) | 9 |
| Newly Registered Societies | 10 |
| Statistics | |
| Dairy Co-operative Societies 1996 | 12 |
| Mart Co-operative Societies 1996 | 13 |
| Fishing Societies 1996 | |
| Wholesale Societies 1996 | 14 |
| Other Societies 1996, including: Cattle Breeding; Stores; Pig Fattening; Pedigree Breeding; Gaeltacht ; Radio; Miscellaneous | 15 |
| Tourism & Rural Development Societies 1996 | |
| Summary of Statistics 1996 | 16 |
| Policy Development Division | 17 |
| Member Development Division | 25 |
| Irish Foundation for Co-operative Development | 29 |
| Financial Services Section | 31 |
| Revised Co-operative Principles of the International Co-operative Alliance | 32 |



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Corporate Profile of ICOS

Registered Office

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Fax: 00322-231 0698.
Email: icosbxl@unicall.be

Regional Offices

Cork Farm Centre,
Wilton Cork.
Telephone: (021) 545044.

Finisklin House,
Finisklin Road, Sligo.
Telephone: (071) 61458.

Executives

John R. Tyrrell, B.Agr.Sc.,
Director General

Gregory C. Tierney, M.A.
Secretary.

Auditors

Thomas J. McCarthy,
Public Auditor,
Craig Gardner & Co.,

Bankers

Bank of Ireland
Allied Irish Banks Ltd.

Solicitors

Arthur Cox & Company

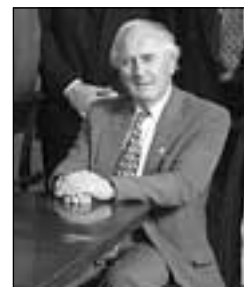
Board of ICOS Directors 1997



Standing (l-r): Greg Tierney, T. J. Harty; John Duggan, P. Kenny, P. O'Brien, P. McKenna, Harry Browne, Ted Hunt, John Lavin, Ml. O'Brien. Seated (l-r): Tom Cleary, Billy Nagle, Donal Cashman, Michael O'Dwyer, Dessie Boylan and John Tyrrell.



Stephen Kelliher



Anthony Leddy



John R. Tyrrell,
Director General.



Gregory C. Tierney
Secretary.



Tom Corcoran

Foreword

It is with great pride that I present, on behalf of the Board of ICOS, the 103rd Annual Report. Few business organisations of any kind can boast of existing for more than one hundred years, yet that is exactly what is found amongst the member co-operatives of ICOS.

Over the past ten years, many co-operatives have celebrated the centenary of their establishment. In other cases, branches of very large co-operatives have celebrated the fact that a co-operative existed for 100 years in that location, even if it was now part of a much larger organisation through amalgamation. Indeed that process of amalgamation has continued now for some time amongst the multi-purpose dairy co-operatives in particular.

During the past year, however, the idea of amalgamation amongst such co-operatives reached a new phase with the merger of the Avonmore and Waterford Co-operatives. The objective of such a merger was to bring together two businesses which had much in common and the merger of which could lead to significant savings. Furthermore the merger has created a farmer controlled business of such proportions as to rank it amongst the largest co-operatives of its kind in the European Union.

Another significant feature of this amalgamation was the extent of the involvement of the farmer members in the democratic decision making process required for the approval of the merger. Over three thousand farmers attended the meetings of each co-operative and, as President of ICOS, it was gratifying to note that both Societies called upon the staff of ICOS to oversee and guarantee the accuracy of the voting which took place. Indeed ICOS involvement in the process started much earlier than the day of the meetings and involved much more than verifying the accuracy of the vote.

This year's Annual Report also reflects on the importance of changes or proposed changes to the Common Agricultural Policy for the work of ICOS. Several times throughout the report there is reference to the EU Commission document,



Michael O'Dwyer, President.

Agenda 2000. It is hard to overstate the importance of the proposals contained in that document for agricultural co-operatives and their farmer members. The task confronting ICOS is to ensure that member co-operatives are fully informed on proposed changes and to assist those co-operatives, if called upon, to help inform their membership. At the same time, ICOS must try to give leadership on the question of how to respond to the proposals.

While listening to and taking account of the views of the member co-operatives, the Board of ICOS must provide a lead by developing policies which will, in effect, be the response of farmer owned businesses to the EU Commission proposals.

During the past year, I believe, ICOS carried out their task in that regard quite well. The Board, with the assistance of staff, gave leadership to the member co-operatives in adopting policy positions on many aspects of the proposals. During the current year it will be the task of ICOS to ensure that co-operatives are fully aware of the detail of those policy positions and at the same time to lobby the relevant authorities both nationally and at EU level to try to have ICOS policy taken into account.

Michael O'Dwyer
PRESIDENT

Annual Report 1997

Major Developments

The year 1997 was a year of great change in both the agricultural co-operative sector and in agriculture in general. The work of ICOS was carried out throughout the year in the context of that change.

For agricultural co-operatives, by far the biggest single development was the amalgamation of Avonmore Creameries Ltd and Waterford Co-operative Society Ltd. The resulting co-operative, Avonmore Waterford Co-operative Society Ltd has a membership of over 18,000 farmers and a consolidated turnover of approximately £2,500m.

The involvement of ICOS in this merger was substantial and on the day of the meetings, there were sixteen ICOS staff involved in assisting in the meeting procedures and assuring the accuracy of the votes. The ICOS participation, however, started much earlier and involved the development of the rules and electoral structure for the amalgamated co-operative.

This type of activity is part of the ongoing service provided by ICOS to its member co-operatives, whether they be large or small. As evidence of that fact, similar type assistance was provided during 1997 in two other cases of amalgamation. Both of these involved relatively small co-operatives (farm relief and pedigree breed), but the same type of commitment and assistance was available to those concerned.

The year 1997 also saw the first clear evidence of proposals for dramatic change in EU agricultural policy. The detailed implications of such proposed change for ICOS member co-operatives and their farmer members are dealt with elsewhere in this report. The main thrust of ICOS work in this regard during 1997 was to ensure that member co-operatives were made aware of what was happening in the EU context and also to determine their response to such proposed changes.

Co-operative Business Activity

In the midst of all of these dramatic developments, ICOS member co-operatives continued to service their members, although with some sectoral problems. Total turnover of the members of ICOS rose from £7,866m in 1995 to £8,199m in 1996, a rise of 4.2%, but this global figure conceals the fact that the turnover of livestock mart co-operatives declined from £651m in 1995 to £573m in 1996 (a decline of 12%). Net income (i.e. surplus) for all co-ops for 1996 at £164m was down from £173m in the previous year, but this was not related to the downturn in livestock mart turnover. In fact, the marts, although experiencing a 12% decline in value of livestock sold, only experienced a very small reduction in surplus earned.

The principal reason for the reduction of £9m in surplus in 1996 was the deliberate decision of the dairy co-operatives to support the farmer milk price, out of surpluses, at a time of falling market prices. Nevertheless attention must be drawn to the fact that, although the surplus in the livestock mart sector declined by only £0.1m, this still represents a decline of 7.8% compared to 1995 and 16.6% compared to 1994. Although early indications suggest that 1997 will show an upward trend and may result in a figure of £590m for value of livestock sold, this is still a long way from the figure of £790m for the year 1988.

Council Board, President and Vice-President

During 1997 the Council of ICOS met five times, while the Board had ten meetings. Three of the Board Meetings were Special Meetings called for one specific purpose only and, in fact, two were held on the same day as Council Meetings.

One of the Special Meetings was held to deal with the question of the election of the President and the Southern Vice-President. Mr Michael O'Dwyer was re-elected as President and Mr Donal Cashman as Southern Vice-President. The appointed and elected members

of the Council, at their first meeting following the Annual General Meeting, decided to exercise their rights of co-option. As a consequence it was decided to co-opt to the Council the Presidents of ICMSA (Frank Allen), IFA (John Donnelly) and Macra na Feirme (Tommy Maguire).

During the year, three directly nominated Council members were replaced by their respective nominating societies. These were: Stephen Kelliher replaced Patsy O'Connell (Kerry); Anthony Leddy replaced Martin Flanagan (IAWS); Tom Corcoran replaced John Barry (Waterford).

Each of the Council Members replaced had to resign because they were no longer members of the Board of their own co-operative.

Elections to Council and Board

The Council elections which were held prior to the 1997 Annual General Meeting resulted in the outgoing members being re-elected.

These were:

Creameries North East: Harry Browne
Creameries South: Michael O'Brien
Livestock Marts: Laurence Carroll
Miscellaneous Societies: Mary Coleman

At the Council meeting held on 28 May 1997, there were five Board Members retiring by rotation. Following elections the five outgoing members were re-elected.

These were:

Dairy co-op representatives: Harry Browne & Patrick O'Brien



Outside the Plunkett House, Dessie Boylan, Northern Vice-President, Michael O'Dwyer, President and Donal Cashman, South Vice-President.

Mart co-op representatives: TJ Harty & Ted Hunt

Miscellaneous co-op representative: Donal Cashman

Committees and Chairmen of Expert Committees

The Board appointed the President, the two Vice-Presidents, John Duggan and Michael O'Brien to be the Finance Sub-Committee. The group had just one meeting during 1997. The Board also appointed the Rules and Structures Committee. This was comprised of the President, the two Vice-Presidents, John Duggan, Paddy Kenny and William Nagle and this Committee also had just one meeting during the year.

The Chairman of the four ICOS Expert Committees were appointed at a meeting of the Board held on 16 July 1997.

These were:

Animal Health Committee: TJ Harty
Dairy Committee: Michael O'Brien
Marts Committee: Ted Hunt
Rural Development Committee: Paddy Kenny

Nominations for Election to Seanad Eireann

ICOS is one of a limited number of organisations with the right to nominate candidates for election to Seanad Eireann. This right has existed for a very long time and every time there is a General Election for the Dáil, the right of nomination arises. During 1997 there was such an occasion and the Board of ICOS decided to nominate one candidate from each of the two main political parties. These were Mr Peter Callanan and Mr Richard Hourigan. Mr Callanan was successful in the subsequent election.

Representatives of ICOS in Other Bodies

ICOS continues to have the right to appoint people to various bodies including the boards of some of its member co-operatives. In that context during 1997, Mr Donal Cashman continues to represent ICOS on the Board of Irish Farm Accounts Co-op Society Ltd and Mr

Tom Cleary on the Board of the Irish Dairy Board Co-operative Ltd. In fact, both are Chairmen of the respective co-operatives.

Aside from other co-operatives, ICOS has the right to appointment of ICOS representatives in various other organisations.

The following are the most important such appointments:

| | |
|-------------------------------------|-----------------------------------|
| Teagasc: | Michael O'Dwyer |
| NDC: | William Nagle |
| NESC: | Gregory Tierney |
| NESF: | Mary Coleman |
| Enterprise Trust: | Michael O'Dwyer |
| <i>Milk Quota Appeals Tribunal:</i> | John Tyrrell |
| <i>Milk Quota Review Group:</i> | George Kearns |
| <i>CDC (FAS):</i> | Gregory Tierney |
| <i>Partnership 2000:</i> | Michael O'Dwyer, |
| <i>Review Group:</i> | John Tyrrell & Gregory Tierney |

Monitoring Committees for the Operational Programmes on:

| | |
|---|---------------------|
| (i) <i>Food Industry:</i> | Martin Varley |
| (ii) <i>Agriculture, Forestry, Rural Development:</i> | Seamus O'Donohoe |

Department of Agriculture Advisory Committees on CAP Reform:

| | |
|--------------------------------|---------------------|
| (i) <i>Dairying:</i> | John Tyrrell |
| (ii) <i>Beef:</i> | Martin Varley |
| (iii) <i>Cereals:</i> | Martin Varley |
| (iv) <i>Rural Development:</i> | Seamus O'Donohoe |

*Agricultural Statistics:
Review Group (CSO)* Gregory Tierney

Aside from these, ICOS, in conjunction with the other rural organisations, is represented on County Enterprise Boards throughout the country.

Joint Ventures with UAOS

The past year was also a year in which the existing friendly relationships with the Ulster Agricultural Organisation Society Ltd (UAOS) were further strengthened. This was achieved through the initiation of two joint venture projects involving UAOS and ICOS and having a cross-border involvement. Both projects were substantially funded by the Ireland Fund in conjunction with the European Union through Co-operation North.

The first of the projects concerned two cross-border training programmes, both for directors and middle management.

Participants from co-operatives on both sides of the border took part and sessions were held at venues north and south of the border. The second project involved the joint appointment of a facilitator for the purpose of identifying and promoting cross-border projects between co-operatives and other community based groups. While the training programme was due for completion early in 1998, the second project was only beginning to develop because of the time required to recruit a suitable person.

New Societies, New Rules and Amalgamations

Although mergers may tend to reduce the number of co-operatives in rural areas, the incorporation of new societies has more than offset that trend. During 1997 ICOS assisted 43 groups with the incorporation of new societies. The figure for 1996 was 23 and for 1995 it was 38. This means that in total 104 new societies were assisted by ICOS to become incorporated during this period. As with new companies, a significant proportion of co-operatives do not exist five years after incorporation.

The reasons for this phenomenon are many. Perhaps the most common of all is that these new co-operatives either never started their business activity because it was discovered to be non-viable or their registration is cancelled because they have failed in their obligation to file Returns with the Registry. Even in the case of failure to file Returns, this in itself may indicate that the business never started.

The type of Society being incorporated through ICOS is very varied. What is significant is that seven of the forty three societies were connected with rural group water schemes. A further five were connected with fishing and six were associated with the livestock sector. Of particular interest is the fact that a second Premier League Association Football Club (Finn Harps) has chosen to join Sligo Rovers as a community based co-operative, while a second club in a junior league has also incorporated as a co-operative.

During 1997 a total of eight societies working with ICOS registered Complete Amendments of Rules. This required a significant time commitment from ICOS staff in that a number of meetings at Board or Sub-Committee level was usually required before draft new Rules could be put to shareholders. The two amalgamations also listed in this report involved the preparation of completely new Rules. Furthermore a total of sixteen Partial Amendments of Rules were also registered for societies during the year and ICOS staff were involved in helping member co-operatives in these cases as well.



At the launch of "Who's Who in the Irish Co-operative Movement" by the Minister for Agriculture and Food Mr. Joe Walsh T.D.

Although many of the new societies do not, in fact, become members of ICOS, the Council continues to admit to membership those societies that do wish to become affiliated. In 1997 two such new members were admitted. These were North Eastern Producers Co-operative Society Ltd and North Kerry Arts, Cultural and Heritage Society Ltd.

Continuing Board and Council Interests

Throughout the year a number of topics kept recurring at Board and Council meetings and these are dealt with in some detail elsewhere in this report. The one issue that caused most concern to both dairy and mart representatives on the Council and Board was the rising incidence of Brucellosis. Of equal interest to both bodies was the European Union document Agenda 2000, which indicated the direction in which the Common Agricultural Policy might be going in the future.

Amongst the many important issues to be dealt with by the Rules and Structures Committee and the Board, was the question of the size and composition of the Board itself. This led to a number of discussions with the Livestock Marts Committee as well. Towards the end of the year proposals began to emerge which might satisfy all interests represented in ICOS. It is hoped that the necessary rule changes can be placed before the members at a Special General Meeting to be held sometime in 1998.

Developments in regard to livestock breeding were also closely monitored by the Board and Council. These concerned possible new regulations controlling the artificial insemination of livestock as well as the development of the Irish Cattle Breeding Federation Society Ltd. Three of the six representatives on the Board of that Society have strong co-operative links. The final structure and involvement of that Society in the cattle industry may well be determined by the type of regulations which the Department of Agriculture adopts for the A.I. industry. ICOS remains deeply concerned about these issues and will be monitoring carefully the developments during 1998.

ICOS Board 1997

President Michael O'Dwyer **Vice-Presidents** Donal Cashman and Dessie Boylan

| Nominated Members | Address | Nominated by |
|--------------------------|--|-------------------------------------|
| Mr John Duggan | Ballynennon, Mullinahone, Co Tipperary. | Avonmore Creameries Ltd |
| Mr William Nagle | Bregoge, Buttevant, Co Cork. | Dairygold Co-operative Society Ltd |
| Mr Pat McKenna | Clonregan, Ballingarry, Co Limerick. | Golden Vale Food Products Ltd |
| Mr Anthony Leddy | Kilnacranagh, Milltown, Co Cavan. | IAWS Ltd |
| Mr Thomas Cleary | Ballycapple, Cloughjordan, Co Tipperary. | Irish Dairy Board Co-op Society Ltd |
| Mr Stephen Kelliher | Coolcleave, Firies, Killarney, Co Kerry. | Kerry Co-operative Creamery Ltd |
| Mr Tom Corcoran | Bohadoo, Dungarvan, Co Waterford. | Waterford Co-operative Ltd |
| Elected Members | Address | Elected by (electoral group) |
| Mr John Lavin | Ardgallagher, Kilmore, Carrick-on-Shannon, Co Leitrim. | Creameries Connaught |
| Mr Dessie Boylan | Latnadronagh, Crosserlough, Co Cavan. | Creameries North East |
| Mr Harry Brown | Leagh, Monaghan. | Creameries North East |
| Mr Michael O'Brien | Phillipstown, Cappawhite, Co Tipperary. | Creameries South |
| Mr Patrick O'Brien | Drishanebeg, Skibbereen, Co Cork. | Creameries South |
| Mr TJ Harty | Gort Nadiha, Ring, Co Waterford. | Mart Societies |
| Mr Timothy Hunt | Coole West, Athea, Co Limerick. | Mart Societies |
| Mr Patrick Kenny | Ardagh House, Riverstown, Co Sligo. | Mart Societies |
| Mr Michael O'Dwyer | Bridge View, Ardmayle, Cashel, Co Tipperary. | Mart Societies |
| Mr Donal Cashman | Coole, Whitecross, Co Cork. | Miscellaneous Societies |

ICOS National Council 1997

The Council consists of all Board Members and the following people:

| Nominated Members | Address | Nominated by |
|--------------------------|--|-------------------------------------|
| Mr Nicholas McEniry | Mortalstown, Cahir, Co Tipperary. | Dairygold Co-operative Society Ltd |
| Elected Members | Address | Elected by (electoral group) |
| Mr Frank O'Reilly | Kilconney, Belturbet, Co Cavan. | A.I. Societies |
| Mr Sean Sweeny | Knocknaderry, Killala, Mayo. | Creameries Connaught |
| Mr Lexie Tinney | Drumcairn, Manorcunningham, Co Donegal. | Creameries North |
| Mr John Sexton | "Sunview", Courtmacsharry, Bandon, Co Cork. | Creameries South |
| Mr Richard Tobin | Bawn, Nenagh, Co Tipperary. | Creameries South |
| Mr Laurence Carroll | Seskin South, Ballyragget, Co Kilkenny. | Mart Societies |
| Ms Mary Coleman | 30 Ulverton Road, Dalkey, Co Dublin. | Miscellaneous Societies |
| Mr Jim Maguire | Beglieve, Bailieboro, Co Cavan. | Miscellaneous Societies |
| Mr John Joe O'Brien | Gerah, Banane, Kenmare, Co Kerry. | Miscellaneous Societies |
| Co-opted Members | Address | Co-opted Member |
| Mr Frank Allen | Ballinamona, Galbally, Co Limerick. | Co-opted Member |
| Mr John Donnelly | Conicane Abbey, Loughrea, Co Galway. | Co-opted Member |
| Mr Tommy McGuire | Drummillard Big, Castleblayney, Co Monaghan. | Co-opted Member |

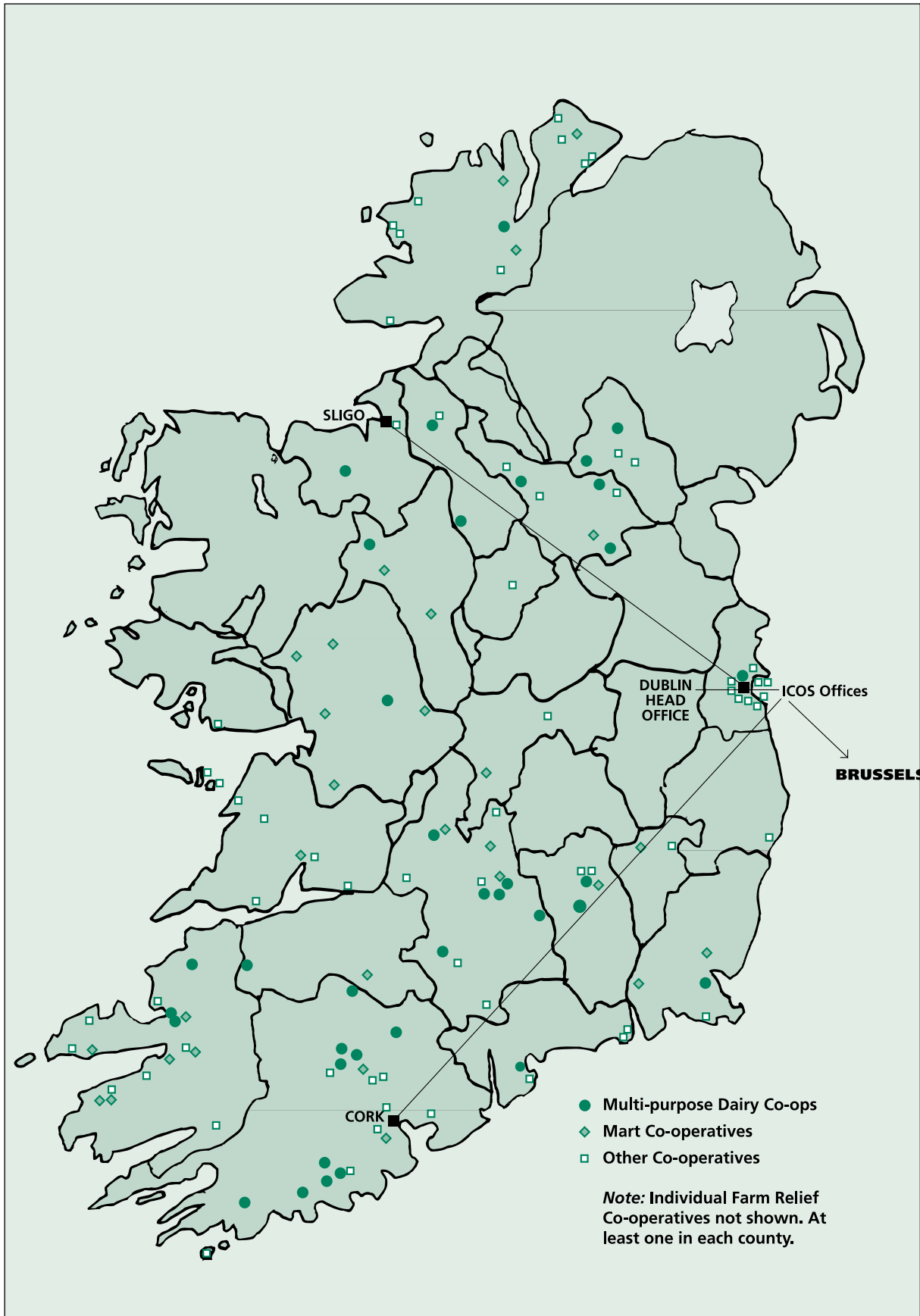
Note:

John Barry represented Waterford Co-op Ltd on the Board/Council until August 1997

Martin Flanagan represented IAWS Ltd on the Board/Council until June 1997

Patsy O'Connell represented Kerry Co-op Creameries Ltd on the Board/Council until March 1997

Distribution of ICOS Member Co-operatives



New Societies

and societies which have had amendments to rules

NEW SOCIETIES

| | |
|---|-----------|
| Allihies Parish Co-operative Society Ltd | Cork |
| Ardfry Shellfish Development Co-operative Society Ltd | Galway |
| Atlantic Mushroom Growers Co-operative Society Ltd | Mayo |
| Ballinamuck Community Enterprise Society Ltd | Longford |
| Ballyshonick Group Water Society Ltd | Limerick |
| Belclare Group Water Scheme Society Ltd | Galway |
| Belgian Beltex Breeders Society Ltd | Galway |
| Broad Street Industrial & Provident Society Ltd | Waterford |
| Carras Co-operative Society Ltd | Galway |
| CCK Lobster Fishermen's Co-operative Society Ltd | Cork |
| Cloncrave Area Water Scheme Society Ltd | Westmeath |
| Comharchumann Dhun Chaoín Teo | Kerry |
| Comharchumann Inis Bó Finne Teo | Donegal |
| Comharchumann Sliogan Mara Teo | Donegal |
| Comharchumann Uisce Loch Hibirte Teo | Galway |
| Coshma Co-operative Society Ltd | Limerick |
| Crescent House Industrial & Provident Society Ltd | Limerick |
| Dublin Inner City Primary School Initiative Society Ltd | Dublin |
| Enniscorthy Community Television Society Ltd | Wexford |
| EU Livestock Exporters Co-operative Society Ltd | Tipperary |
| Finglas Co-operative Cabs Society Ltd | Dublin |
| Finn Harps Co-operative Society Ltd | Donegal |
| Glengarriff Development Co-operative Society Ltd | Waterford |
| Glenroe Group Water Scheme Society Ltd | Cork |
| Gorthaganny Water Scheme Co-operative Society Ltd | Roscommon |
| Graine Water Co-operative Society Ltd | Kilkenny |
| Inishboffin Lobster Fishermens Co-operative Society Ltd | Galway |
| Irish Cattle Breeding Federation Society Ltd | Dublin |
| Irish Lobster Association Society Ltd | Cork |
| Irish Parthenais Cattle Society Ltd | Galway |
| Local Cavan Co-operative Society Ltd | Cavan |
| Local Longford Internet Co-operative Society Ltd | Longford |
| Munster Producers and Suppliers Society Ltd | Cork |
| North Western Services Society Ltd | Sligo |
| Park House Industrial and Provident Society Ltd | Kerry |
| Partnership for Local Action Network Co-operative Society Ltd | Dublin |
| Rashenny Football Club Co-operative Society Ltd | Donegal |
| Roaring Water Bay Co-operative Society Ltd | Cork |
| Sheelin Enterprise Co-operative Society Ltd | Cavan |
| SMK Industrial and Provident Society Ltd | Dublin |
| South Sligo Resources Development Co-operative Society Ltd | Sligo |
| The Irish Normande Dual Purpose Cattle Breeding Society Ltd | Westmeath |
| The Salers Cattle Society of Ireland Ltd | Westmeath |

Rule Amendments and Amalgamations

COMPLETE AMENDMENTS

| | |
|---|-----------|
| Irish Co-op Society Ltd | Limerick |
| Kerry Co-operative Creameries Ltd | Kerry |
| Kilkenny Co-operative Livestock Mart Ltd | Kilkenny |
| Kingdom Co-operative Livestock Mart Ltd | Kerry |
| Meitheal Mara na Rinne Teo | Waterford |
| Progressive Genetics Co-operative Society Ltd | Dublin |
| Town of Monaghan CA & DS Ltd | Monaghan |
| Wexford Quality Beef Society Ltd | Wexford |

PARTIAL AMENDMENTS

| | |
|---|-----------|
| Avonmore Creameries Ltd | Kilkenny |
| Avonmore Creameries Ltd | Kilkenny |
| Centenary Co-operative Creamery Society Ltd | Tipperary |
| Comharchumann Comhdháil Oileain na hEireann Teo | Galway |
| ICOS Services Co-operative Society Ltd | Dublin |
| Inishowen Co-operative Society Ltd | Donegal |
| Irish Venison Co-operative Society Ltd | Cork |
| Kildare County Show Society Ltd | Kildare |
| Kilkenny Co-operative Livestock Mart Ltd | Kilkenny |
| Lakeland Dairies Co-operative Society Ltd | Cavan |
| Shannonside Milk Products Co-operative Ltd | Roscommon |
| South Tipperary Farm Relief Services | Tipperary |
| South Western Services Co-operative Society Ltd | Cork |
| Waterford-Ross Co-operative Livestock Mart Ltd | Wexford |
| Wexford Farm Relief Services Society Ltd | Wexford |
| Wexford Quality Beef Society Ltd | Wexford |

AMALGAMATIONS

| | | | |
|---|-----------------------------|---|----------|
| <i>Avonmore Creameries Ltd and Waterford Co-operative Society Ltd</i> | Amalgamated to form: | Avonmore Waterford Co-operative Society Ltd | Kilkenny |
| <i>Westmeath and District Farm Relief Services Ltd and Cavan and District Farm Relief Services Co-operative Ltd</i> | Amalgamated to form: | CLW Farm Relief Services | Cavan |

Dairy Co-operative Societies 1996

| No. Society | Members | Employees | Trading performance (£'000) | | | Balance Sheet (£'000) | | | | | |
|--------------------------|--------------|--------------|-----------------------------|---------------|-----------------------|-----------------------|----------------|----------------|---------------|----------------|---------------|
| | | | Total Sales | Net Profit | Net Profit as % Sales | Assets Employed | | Financed By | | | % Debt/Equity |
| | | | | | | Fixed | Total | Members | Banks | Other | |
| 1 AVONMORE (Excl. Mart) | \$ 13248 | 6583 | 1308432 | 30031 | 2.30% | 247448 | 516230 | 170969 | 74664 | 270597 | 43.67% |
| 2 BANDON | 687 | 50 | 28223 | 1396 | 4.95% | 14263 | 21366 | 18109 | 132 | 3125 | 0.73% |
| 3 BARRYROE | 679 | 66 | 32288 | 1554 | 4.81% | 15387 | 25668 | 19442 | 1589 | 4637 | 8.17% |
| 4 BOHERBUE | 183 | 23 | 6365 | 55 | 0.86% | 1166 | 3870 | 3265 | 0 | 605 | 0.00% |
| 5 CALLAN | 150 | 16 | 5661 | 168 | 2.97% | 209 | 2498 | 1947 | 0 | 551 | 0.00% |
| 6 CENTENARY | 1631 | 72 | 31332 | 810 | 2.59% | 4076 | 11688 | 10408 | 0 | 1280 | 0.00% |
| 7 CORCAGHAN | 250 | 37 | 3648 | 3 | 0.08% | 805 | 1476 | 1115 | 125 | 236 | 11.21% |
| 8 DAIRYGOLD (Excl. Mart) | 10840 | 2899 | 608056 | 11802 | 1.94% | 159601 | 309628 | 191877 | 38603 | 79148 | 20.12% |
| 9 DOAPEY | \$ 100 | \$ 3 | 2560 | -54 | -2.11% | 66 | 939 | 874 | 65 | 0 | 7.44% |
| 10 DRINAGH | 2749 | 170 | 53865 | 2448 | 4.54% | 21049 | 31050 | 26721 | 0 | 4329 | 0.00% |
| 11 DROMBANE | 150 | 10 | 3945 | 117 | 2.97% | 183 | 1153 | 993 | 0 | 160 | 0.00% |
| 12 FEALEBRIDGE | 300 | 7 | 5718 | 168 | 2.94% | 171 | 4496 | 3831 | 0 | 665 | 0.00% |
| 13 GLENVEAGH | 1576 | 117 | 45830 | 1775 | 3.87% | 8652 | 19360 | 11871 | 1118 | 6371 | 9.42% |
| 14 GOLDEN VALE | 4320 | 2182 | 560638 | 5341 | 0.95% | 113046 | 271839 | 101171 | 89953 | 80715 | 88.91% |
| 15 IRISH DAIRY BOARD | 70 | 2920 | 1311379 | 18274 | 1.39% | 52025 | 377317 | 111861 | 59975 | 205481 | 53.62% |
| 16 KERRY | 9,990 | 9700 | 1233253 | 44131 | 3.58% | 592031 | 882996 | 349365 | 309827 | 223804 | 88.68% |
| 17 KILLASNETT | 281 | 10 | 2608 | 46 | 1.76% | 35 | 879 | 481 | 0 | 398 | 0.00% |
| 18 KILTOGHERT | 3385 | 44 | 15325 | 316 | 2.06% | 1535 | 5542 | 3702 | 0 | 1840 | 0.00% |
| 19 LAKELAND | 4754 | 261 | 127638 | 1416 | 1.11% | 13809 | 38262 | 25494 | 12673 | 95 | 49.71% |
| 20 LEE STRAND | 400 | 45 | 11660 | 386 | 3.31% | 4963 | 8577 | 5855 | 250 | 2470 | 4.27% |
| 21 LISAVARD | 1098 | 89 | 29103 | 1613 | 5.54% | 13346 | 18163 | 15042 | 309 | 2812 | 2.05% |
| 22 MAUDABAWN | 221 | 6 | 3583 | 14 | 0.39% | 102 | 906 | 719 | 54 | 133 | 7.51% |
| 23 MIDWEST | 4000 | 120 | 32106 | 49 | 0.15% | 3779 | 12961 | 9328 | 0 | 3633 | 0.00% |
| 24 MULLINAHONE | 120 | 59 | 9047 | 88 | 0.97% | 1416 | 3799 | 1378 | 99 | 2322 | 7.18% |
| 25 NENAGH | 2113 | 165 | 73508 | 422 | 0.57% | 9132 | 19276 | 14080 | 0 | 5196 | 0.00% |
| 26 NEWMARKET | 720 | 57 | 20798 | 382 | 1.84% | 3619 | 8452 | 6468 | 184 | 1800 | 2.84% |
| 27 NEWTOWNSANDES | 253 | 10 | 6446 | 247 | 3.83% | 134 | 4551 | 3718 | 0 | 833 | 0.00% |
| 28 N.C.F. (Excl. Mart) | 15980 | 480 | 116609 | 1075 | 0.92% | 17359 | 40118 | 20113 | 3545 | 16460 | 17.63% |
| 29 NORTH CORK | 350 | 53 | 14461 | 82 | 0.57% | 2457 | 6289 | 4103 | 138 | 2048 | 3.36% |
| 30 SHANNONSDIE | 3 | 54 | 3985 | 11 | 0.28% | 7093 | 10069 | 3514 | 3014 | 3541 | 85.77% |
| 31 THURLES | 222 | 63 | 10404 | 112 | 1.08% | 1704 | 4769 | 3203 | 272 | 1294 | 8.49% |
| 32 TIPPERARY | 1974 | \$ 200 | 67389 | 540 | 0.80% | 6565 | 21270 | 14112 | 92 | 7066 | 0.65% |
| 33 TOWN OF MONAGHAN | 1500 | 120 | 64309 | 1033 | 1.61% | 3357 | 27760 | 22316 | 764 | 4680 | 3.42% |
| 34 VIRGINIA | 5 | 100 | 14 | 3 | 21.43% | 0 | 81 | 76 | 0 | 5 | 0.00% |
| 35 WATERFORD | \$ 5415 | \$ 3651 | 1043719 | 14829 | 1.42% | 349443 | 637744 | 87902 | 261939 | 287903 | 297.99% |
| 36 WEXFORD | 715 | 3 | 22449 | 5 | 0.02% | 632 | 3370 | 1263 | 0 | 2107 | 0.00% |
| TOTALS | 90432 | 30445 | 6916354 | 140688 | 2.03% | 1670658 | 3354412 | 1266686 | 859384 | 1228340 | 67.85% |

\$ = Estimate N/A = Not Available

Note: % Debt/Equity Ratio Calculated as follows: Long Term and Short Term Borrowings/Total Members Funds.

This will differ in some instances from the ratio in published accounts due to different interpretations of this ratio and different representations of debt and equity in annual reports.

Mart Co-operative Societies 1996

| No Society | Members | Employees (Incl. Part-time) | Trading performance (£'000) | | | | | | Balance Sheet (£'000) | | | | | |
|--------------------------|--------------|-----------------------------------|-----------------------------|-----------------------|---------------------|---------------|-------------------------------------|-----------------------------|-----------------------|--------------|--------------|-------------|--------------|----------------------|
| | | | Livestock Sales | Comm. & Entry Fees | Deposit Interest | Net Profit | Comm. & Entry Fees as % Sales | Net Profit as % Sales | Assets Employed | | Financed By | | | Debt/ Equity % |
| | | | | | | | | | Fixed | Total | Members | Banks | Other | |
| 1 ATHENRY | 1100 | 33 | 19895 | 400 | 21 | 25 | 2.01% | 0.13% | 856 | 1075 | 490 | 270 | 315 | 55.10% |
| 2 BALLINASLOE | 850 | 36 | 18044 | 322 | 6 | 10 | 1.78% | 0.06% | 953 | 1490 | 809 | 649 | 32 | 80.22% |
| 3 BALLYJAMESDUFF | 400 | 51 | 14754 | 218 | 44 | 97 | 1.48% | 0.66% | 502 | 1455 | 1157 | 0 | 298 | 0.00% |
| 4 BIRR | 550 | 25 | 11924 | 231 | 15 | 36 | 1.94% | 0.30% | 177 | 451 | 374 | 0 | 77 | 0.00% |
| 5 CASTLEISLAND | 315 | 26 | 21271 | 509 | 28 | 20 | 2.39% | 0.09% | 719 | 2153 | 1052 | 938 | 165 | 89.16% |
| 6 CASTLEREA | 900 | 24 | 11217 | 234 | 16 | 25 | 2.09% | 0.22% | 363 | 546 | 406 | 0 | 140 | 0.00% |
| 7 CLARE | 2900 | 39 | 38766 | 689 | 101 | 137 | 1.78% | 0.35% | 2925 | 3604 | 2749 | 0 | 856 | 0.00% |
| 8 CORK MARTS | 15100 | 152 | 80249 | 2545 | Note 1 | 318 | 3.17% | 0.40% | 2814 | 6328 | 4953 | 259 | 1052 | 5.23% |
| 9 DINGLE | 323 | 14 | 2939 | 92 | 1 | -36 | 3.13% | -1.22% | 330 | 346 | 306 | 8 | 32 | 2.61% |
| 10 EAST DONEGAL | 37 | 31 | 7220 | 142 | 9 | 7 | 1.97% | 0.10% | 298 | 682 | 410 | 151 | 122 | 36.83% |
| 11 GOLDEN VALE | 5750 | 136 | 67483 | 1774 | 7 | 28 | 2.63% | 0.04% | 2487 | 4422 | 4113 | 0 | 309 | 0.00% |
| 12 GORT | 1200 | 17 | 8120 | 139 | 1 | -20 | 1.71% | -0.25% | 133 | 308 | 181 | 34 | 92 | 18.78% |
| 13 HEADFORD | 550 | 17 | 5852 | 104 | 6 | 2 | 1.78% | 0.03% | 145 | 215 | 152 | 59 | 4 | 38.82% |
| 14 IVERAGH | § 450 | 15 | § 2535 | 69 | 0 | 10 | 2.72% | 0.39% | 162 | 247 | 111 | 9 | 127 | 8.11% |
| 15 INISHOWEN (Mart Only) | 0 | 0 | 6335 | 119 | 5 | 8 | 1.88% | N/A | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 16 KANTURK | 240 | 17 | § 4300 | 124 | 7 | -43 | 2.88% | -1.00% | 360 | 377 | 313 | 53 | 11 | 16.93% |
| 17 KENMARE | 600 | 13 | 97 | 79 | 0 | -1 | 81.44% | -1.03% | 331 | 551 | 130 | 324 | 97 | 249.23% |
| 18 KILKENNY | 1112 | 47 | 33400 | 569 | 53 | 109 | 1.70% | 0.33% | 1247 | 2278 | 2112 | 0 | 166 | 0.00% |
| 19 KINGDOM | 710 | 12 | 5173 | 143 | 0 | -38 | 2.76% | -0.73% | 1161 | 1358 | 963 | 195 | 200 | 20.25% |
| 20 LEINSTER | 1026 | 29 | 8630 | 338 | 4 | 1 | 3.92% | 0.01% | 710 | 894 | 658 | 214 | 22 | 32.52% |
| 21 MALLOW (Dairygold) | 0 | 0 | 13317 | § 233 | 0 | 0 | 1.75% | N/A | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 22 MAYO/SLIGO | 980 | 34 | 15554 | 307 | 108 | 48 | 1.97% | 0.31% | 672 | 2596 | 1788 | 501 | 307 | 28.02% |
| 23 MID-KERRY | 446 | 24 | 5172 | 193 | 7 | 28 | 3.73% | 0.54% | 419 | 575 | 459 | 0 | 116 | 0.00% |
| 24 MID-TIPPERARY | 820 | 27 | 14877 | 240 | 28 | 42 | 1.61% | 0.28% | 261 | 687 | 558 | 37 | 92 | 6.63% |
| 25 MILFORD | 434 | 25 | § 5300 | 101 | 29 | 19 | 1.91% | 0.36% | 119 | 522 | 495 | 0 | 27 | 0.00% |
| 26 N.C.F. (Mart Only) | 0 | 0 | 49638 | 1069 | 60 | 121 | 2.15% | 0.24% | N/A | 0 | 0 | 0 | 0 | 0.00% |
| 27 NENAGH | 687 | 23 | 15130 | 297 | 28 | 44 | 1.96% | 0.29% | 468 | 1018 | 939 | 0 | 79 | 0.00% |
| 28 ROSCOMMON | 486 | 41 | 17780 | 319 | 32 | -9 | 1.79% | -0.05% | 507 | 1128 | 1059 | 0 | 69 | 0.00% |
| 29 ROSCREA (Avonmore) | 0 | 0 | 11000 | 0 | 0 | 0 | 0.00% | N/A | N/A | 0 | 0 | 0 | 0 | 0.00% |
| 30 TEMPLEMORE | 950 | 12 | 6057 | 102 | 2 | 1 | 1.68% | 0.02% | 244 | 343 | 335 | 8 | 0 | 2.39% |
| 31 TUAM | 1300 | 25 | 15319 | 303 | 33 | 61 | 1.98% | 0.40% | 311 | 695 | 472 | 0 | 223 | 0.00% |
| 32 WATERFORD/ROSS | 1163 | 13 | 6000 | 128 | 11 | -4 | 2.13% | -0.07% | 343 | 420 | 378 | 0 | 42 | 0.00% |
| 33 WEXFORD | 4205 | 166 | 29242 | 674 | 5 | 155 | 2.30% | 0.53% | 3765 | 9772 | 2909 | 1239 | 5624 | 29.77% |
| TOTALS | 45584 | 1124 | 572590 | 12806 | 667 | 1201 | 2.24% | 0.21% | 23782 | 46536 | 30831 | 4948 | 10696 | 66.25% |

§ Estimate N/A Not Available

Note 1: Cork Marts Commission and Entry Fee Figure includes Deposit Interest and other income.

Note 2: % Debt/Equity Ratio Calculated as follows: Long Term and Short Term Borrowings/Total Members Funds.

This will differ in some instances from the ratio in published accounts due to different interpretations of this ratio and different representations of debt and equity in annual reports.

Fishing Co-operative Societies 1996

| No. Society | Members | Employees | Trading performance (£'000) | | | Balance Sheet (£'000) | | | | | |
|-------------------------|------------|------------|-----------------------------|------------|-----------------------|-----------------------|--------------|-------------|-------------|-------------|---------------|
| | | | Total Sales | Net Profit | Net Profit as % Sales | Assets Employed | | Financed By | | | % Debt/Equity |
| | | | | | | Fixed | Total | Members | Banks | Other | |
| 1 BURTONPORT | 375 | 114 | 9840 | 303 | 3.08% | 1662 | 3874 | 2011 | 721 | 1142 | 35.85% |
| 2 CASTLETOWNBERE | 59 | 130 | 14267 | -81 | -0.57% | 581 | 2312 | 981 | 1034 | 297 | 105.40% |
| 3 C.C. MUIRINI FIONNTRA | § 30 | 0 | N/A | N/A | 0.00% | N/A | N/A | N/A | N/A | N/A | 0.00% |
| 4 DONEGAL | 14 | 19 | 10724 | 195 | 1.82% | 329 | 2793 | 1319 | 0 | 1474 | 0.00% |
| 5 DUNMORE EAST | 32 | 15 | 2990 | 13 | 0.43% | 441 | 937 | 201 | 491 | 245 | 244.28% |
| 6 FOYLE | § 16 | 8 | 605 | 63 | 10.41% | 177 | 632 | 334 | 63 | 235 | 18.86% |
| 7 GALWAY & ARAN | 61 | 26 | 8073 | 40 | 0.50% | 208 | 1110 | 581 | 57 | 472 | 9.81% |
| 8 GREENCASTLE | 13 | 4 | N/A | N/A | 0.00% | N/A | N/A | N/A | N/A | N/A | 0.00% |
| 9 KILMORE QUAY | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 10 LOUGH SWILLY | 11 | 0 | 0 | 0 | 0.00% | 0 | 11 | 0 | 0 | 11 | 0.00% |
| 11 MALIN HEAD | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 12 METHEAL MARA | 89 | 5 | 831 | -1 | -0.12% | 88 | 125 | 63 | 38 | 24 | 60.32% |
| 13 SOUTH & EAST COAST | 119 | 3 | 929 | 16 | 1.72% | 253 | 451 | 269 | 0 | 182 | 0.00% |
| 14 SOUTH WEXFORD LOB. | 24 | 1 | 42 | 2 | 4.76% | 7 | 12 | 14 | 0 | -1 | 0.00% |
| TOTALS | 843 | 325 | 48301 | 550 | 1.14% | 3746 | 12257 | 5773 | 2404 | 4081 | 41.64% |

§ Estimate

N/A Not Available

Wholesale Co-operative Societies 1996

| No. Society | Members | Employees | Trading performance (£'000) | | | Balance Sheet (£'000) | | | | | |
|-----------------------|------------|-------------|-----------------------------|--------------|-----------------------|-----------------------|---------------|--------------|--------------|---------------|---------------|
| | | | Total Sales | Net Profit | Net Profit as % Sales | Assets Employed | | Financed By | | | % Debt/Equity |
| | | | | | | Fixed | Total | Members | Banks | Other | |
| 1 CO-OP ANIMAL HEALTH | 2 | 66 | 14734 | 36 | 0.24% | 2392 | 11771 | 3127 | 1677 | 5908 | 53.63% |
| 2 IRISH CO-OP SOCIETY | 30 | 112 | 11333 | 533 | 4.70% | 2313 | 8122 | 4756 | 500 | 2866 | 10.51% |
| 3 I.A.W.S. | 130 | 900 | 582722 | 20062 | 3.44% | 98235 | 246397 | 71324 | 43326 | 131747 | 60.75% |
| TOTALS | 162 | 1078 | 608789 | 20631 | 3.39% | 102940 | 266290 | 79207 | 45503 | 140521 | 57.45% |

§ Estimate

N/A Not Available

Note: % Debt/Equity Ratio Calculated as follows: Long Term and Short Term Borrowings/Total Members Funds.

This will differ in some instances from the ratio in published accounts due to different interpretations of this ratio and different representations of debt and equity in annual reports.

Other Co-operative Societies 1996

| No. Society | Members | Employees | Trading performance (£'000) | | | Balance Sheet (£'000) | | | | | |
|-------------------------------|--------------|------------|-----------------------------|-------------|-----------------------|-----------------------|--------------|--------------|-------------|--------------|---------------|
| | | | Total Sales | Net Profit | Net Profit as % Sales | Assets Employed | | Financed By | | | % Debt/Equity |
| | | | | | | Fixed | Total | Members | Banks | Other | |
| CATTLE BREEDING SOCIETIES | | | | | | | | | | | |
| 1 NECBS | 2 | 37 | 1884 | 1 | 0.05% | 64 | 638 | 384 | 0 | 254 | 0.00% |
| 2 NWCBS | 8 | 48 | 1135 | 24 | 2.11% | 653 | 1482 | 954 | 0 | 528 | 0.00% |
| 3 MUNSTER CBS | 50 | 4 | 377 | 1 | 0.27% | 51 | 383 | 83 | 0 | 300 | 0.00% |
| 4 PROGRESSIVE GENETICS | 3500 | 85 | 5059 | -66 | -1.30% | 2384 | 3804 | 1458 | 591 | 1755 | 40.53% |
| 5 SECBS | 10 | 85 | 2878 | 30 | 1.04% | 1606 | 3176 | 2708 | 143 | 325 | 5.28% |
| 6 SOUTH WESTERN SERVICES | 5 | 220 | 4504 | 194 | 4.31% | 2381 | 4359 | 3110 | 346 | 903 | 11.13% |
| STORE SOCIETIES | | | | | | | | | | | |
| 7 CLONLEIGH | 650 | 21 | 4615 | 44 | 0.95% | 385 | 1816 | 1110 | 0 | 706 | 0.00% |
| 8 INISHOWEN (Excl. Mart) | 1900 | 46 | 4937 | 55 | 1.11% | 760 | 2187 | 1521 | 0 | 666 | 0.00% |
| 9 TEMPLECRONE | 1412 | 99 | 7958 | 34 | 0.43% | 431 | 1804 | 139 | 17 | 1648 | 12.23% |
| PIG SOCIETIES | | | | | | | | | | | |
| 10 GLEN OF AHERLOW | 180 | 12 | 4375 | 347 | 7.93% | 596 | 4195 | 3836 | 0 | 359 | 0.00% |
| 11 MAINE VALLEY | 350 | 5 | 2299 | 55 | 2.39% | 202 | 531 | 254 | 116 | 161 | 45.67% |
| 12 ROUGHTY VALLEY | 10 | 8 | 1812 | 103 | 5.68% | 231 | 839 | 538 | 37 | 264 | 6.88% |
| 13 NCCP | 6 | 0 | N/A | N/A | 0.00% | 0 | N/A | N/A | N/A | N/A | 0.00% |
| SPECIALIST BREEDING SOCIETIES | | | | | | | | | | | |
| 14 IRISH CHAROLAIS CATTLE | 2100 | 7 | 536 | 118 | 22.01% | 51 | 685 | 626 | 0 | 59 | 0.00% |
| 15 IRISH LIMOUSINE | 1200 | 3 | 178 | 20 | 11.24% | 14 | 152 | 139 | 0 | 13 | 0.00% |
| 16 IRISH PEDIGREE PIGS | 8 | 1 | 15 | 4 | 26.67% | 0 | 8 | 4 | 0 | 4 | 0.00% |
| 17 IRISH SIMMENTAL | 800 | 2 | 195 | -55 | -28.21% | 2 | 308 | 262 | 30 | 16 | 11.45% |
| GAELTACHT SOCIETIES | | | | | | | | | | | |
| 18 C.C. CHLEIRE | \$ 646 | 15 | 238 | 17 | 7.14% | 143 | 211 | 136 | 33 | 42 | 24.26% |
| 20 C.C. LEITH THROUGH | 267 | 2 | 14 | 2 | 14.29% | 17 | 24 | 13 | 0 | 11 | 0.00% |
| RADIO SOCIETIES | | | | | | | | | | | |
| 21 KILKENNY COM. RADIO | 2500 | 25 | 422 | 14 | 3.32% | 119 | 283 | 168 | 33 | 82 | 19.64% |
| 22 NORTH CORK COM. RADIO | \$ 1663 | 3 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| MISCELLANEOUS SOCIETIES | | | | | | | | | | | |
| 23 A TASTE OF KERRY | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 24 BALLYMACHUGH | 285 | 1 | 28 | 2 | 7.14% | 226 | 247 | 246 | 0 | 1 | 0.00% |
| 25 CO-OP TRAVEL | 6 | 10 | 3084 | 43 | 1.39% | 8 | 652 | 157 | 0 | 495 | 0.00% |
| 26 CORK NEW POTATOES | 18 | 0 | 169 | 0 | 0.00% | 0 | 33 | 17 | 15 | 2 | 88.24% |
| 27 COUNTRY MARKETS | \$ 12999 | 2 | 89 | 1 | 1.12% | 14 | 159 | 124 | 21 | 14 | 16.94% |
| 28 CO. CLARE AGRI. SHO | 143 | 3 | 73 | -7 | -9.59% | 113 | 157 | 110 | 39 | 8 | 35.45% |
| 29 FARM DEV. CO-OP | 10 | 0 | 45 | 2 | 4.44% | 397 | 421 | 343 | 19 | 59 | 5.54% |
| 30 IFAC | 12786 | 127 | 4433 | 260 | 5.87% | 597 | 4391 | 2668 | 361 | 1362 | 13.53% |
| 31 IRISH DAIRY RECORDS | 28 | 3 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 32 IRISH FARM CENTER | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 32 IRISH HORSE BOARD | 6562 | N/A | 766 | 38 | 4.96% | 37 | 326 | 87 | 0 | 239 | 0.00% |
| 33 IRISH VENISON CO-OP | N/A | N/A | 245 | -32 | -13.06% | 219 | 260 | -74 | 321 | 13 | -433.78% |
| 34 IVERAGH TURF CUTTING | 347 | 0 | 117 | 15 | 12.82% | 174 | 280 | 241 | 1 | 38 | 0.41% |
| 35 NAT. CO-OP FARM RELIEF | 27 | 5 | 230 | 33 | 14.35% | 136 | 488 | 268 | 22 | 198 | 8.21% |
| TOTALS | 50478 | 879 | 52710 | 1297 | 2.46% | 12011 | 34299 | 21630 | 2145 | 10525 | 9.92% |

§ Estimate

N/A Not Available

Tourism/Rural Development Co-operative Societies 1996

| No. Society | Members | Employees | Trading performance (£'000) | | | Balance Sheet (£'000) | | | | | |
|------------------------|------------|-----------|-----------------------------|------------|-----------------------|-----------------------|-------------|-------------|------------|------------|----------------|
| | | | Total Sales | Net Profit | Net Profit as % Sales | Assets Employed | | Financed By | | | % Debt/Equity |
| | | | | | | Fixed | Total | Members | Banks | Other | |
| 1 CAVAN/MONAGHAN | 21 | 9 | 175 | -1 | -0.57% | 15 | 145 | 38 | 0 | 107 | 0.00% |
| 2 CC COMHDHAIL | 26 | 4 | 183 | 11 | 6.01% | 3 | 77 | 1 | 0 | 76 | 0.00% |
| 3 C.C. NA BOIRNE | 300 | 21 | N/A | -7 | N/A | 181 | 198 | 172 | 1 | 25 | 0.58% |
| 4 KEENAGH COMMUNITY | 8 | 3 | 8 | 2 | 25.00% | 27 | 36 | 32 | 0 | 4 | 0.00% |
| 5 KILRUSH DEVELOPMENT | 10 | 14 | N/A | -67 | N/A | 962 | 1430 | 325 | 732 | 373 | 225.23% |
| 6 NARIN PORTNOO ROSBEG | 219 | 0 | N/A | N/A | 0.00% | 0 | 35 | 35 | 0 | 0 | 0.00% |
| 7 NORTH LEITRIM GLENS | N/A | N/A | N/A | N/A | 0.00% | N/A | N/A | N/A | N/A | N/A | N/A |
| 8 SLIEVE FEILIM | N/A | N/A | N/A | N/A | 0.00% | N/A | N/A | N/A | N/A | N/A | N/A |
| 11 WEST CLARE DEV. | N/A | N/A | N/A | N/A | 0.00% | N/A | N/A | N/A | N/A | N/A | N/A |
| TOTALS | 584 | 51 | 366 | -62 | -16.94% | 1188 | 1921 | 603 | 733 | 585 | 121.56% |

S Estimate

N/A Not Available

Summary of Statistics 1996

| | TOTAL | DAIRIES | MARTS | WHOLESALE | FISHING | TOURISM RURAL DEV. | OTHERS |
|------------------------------------|-----------|-----------|---------|-----------|---------|-----------------------|--------|
| MEMBERS | 188,083 | 90,432 | 45,584 | 162 | 843 | 584 | 50,478 |
| EMPLOYEES | 33,902 | 30,445 | 1,124 | 1,078 | 325 | 51 | 879 |
| TRADING PERFORMANCE (£'000) | | | | | | | |
| TOTAL SALES | 8,199,110 | 6,916,354 | 572,590 | 608,789 | 48,301 | 366 | 52,710 |
| NET INCOME | 164,305 | 140,688 | 1,201 | 20,631 | 550 | -62 | 1,297 |
| NET INCOME AS % OF SALES | 2.00% | 2.03% | 0.21% | 3.39% | 1.14% | -16.94% | 2.46% |
| BALANCE SHEET (£'000) | | | | | | | |
| FIXED ASSETS | 1,814,325 | 1,670,658 | 23,782 | 102,940 | 3,746 | 1,188 | 12,011 |
| TOTAL ASSETS | 3,715,715 | 3,354,412 | 46,536 | 266,290 | 12,257 | 1,921 | 34,299 |
| MEMBERS FUNDS | 1,404,730 | 1,266,686 | 30,831 | 79,207 | 5,773 | 603 | 21,630 |
| BANK BORROWINGS | 915,117 | 859,384 | 4,948 | 45,503 | 2,404 | 733 | 2,145 |
| OTHER | 1,394,748 | 1,228,340 | 10,696 | 140,521 | 4,081 | 585 | 10,525 |
| % DEBT/EQUITY | 65.15% | 67.85% | 16.05% | 57.45% | 41.64% | 121.56% | 9.92% |

Note: % Debt/Equity Ratio Calculated as follows: Long Term and Short Term Borrowings/Total Members Funds.

This will differ in some instances from the ratio in published accounts due to different interpretations of this ratio and different representations of debt and equity in annual reports.

Policy Development Division

Introduction

In 1997, agricultural policy was dominated by three issues namely; the strength of the Irish Pound and Green Pound revaluations; the proposals to reform the CAP and the difficult beef market situation. In addition to lobbying on these large scale issues, ICOS continued its day-to-day lobbying on the detailed EU market supports for the dairy and beef sectors. In particular, the focus continued to be on the GATT export restrictions, export refunds, casein aid, and other supports

Strong Irish Pound Reduced Export Returns

The Irish Pound continued to strengthen throughout 1997. This resulted in a cumulative Green Pound revaluation of 8.8% between 8 November, 1996 and 29 March, 1997, reducing the support price for intervention dairy products by about 10 pence per gallon and that of beef by an estimated 9 pence per pound and £10 per tonne of cereals. ICOS, co-operatives and other organisations highlighted the damaging effects of the strength of the Irish Pound on export returns. EU and national compensation of close to 3.5 pence per gallon was paid to offset part of the negative impact of the Green Pound revaluations and similar payments were made in the beef and cereals sectors. ICOS, throughout 1997, continued to speak out against proposals to revalue the Irish Pound's central rate in the Exchange Rate Mechanism, in preparation for Economic and Monetary Union in 1999.



World Trade Organisation Agreement and Market Supports

The implementation of the second year of the WTO agreement from 1 July 1996 to 30 June 1997 gave rise to restrictions in cheese and beef export refund levels, forcing suspensions and cuts in refund levels for these products.

ICOS continued to seek the introduction of a more flexible export refund system for processed cheese and beef which had suffered especially steep refund cuts due to the WTO restrictions. During the year a new processed cheese refund system was introduced, permitting the use of EU ingredients together with levy free dairy ingredients imported under the inward processing scheme. This provided some relief of the pressure arising from the WTO volume limit. Also throughout 1997, ICOS successfully opposed suggestions by the EU Commission to remove export refunds on cheese exports to the US market.

The SMP market continued to be relatively weak throughout the year and this gave rise to an export refund increase of 13.6% in October. In contrast, because butter markets had strengthened, the Commission cut butter refunds by 5.82% in November. Despite the reduction in returns in the casein market and strong ICOS lobbying for a casein aid increase,

the Commission refused to increase the casein aid because exchange rate changes had maintained the returns from casein for most European exporters.

The Santer Cap reform Proposals

By mid-year the Commission published its proposals for the reform of the CAP for the period 2000 to 2006. These proposals, also known as Agenda 2000, proposed steep reductions in

intervention prices for beef (-30%), cereals (-20%) and milk (-10%). They also proposed to increase existing direct payments and introduce a new direct dairy cow premium. ICOS in its analysis of the proposals concluded that they would reduce Irish farm incomes by about £140 million per year, which would be equivalent to a 7% cut in net farm income. ICOS stressed that the proposals conceded the EU position in advance of the next WTO negotiations and that instead of the steep price cuts, intervention prices should be maintained. In addition, ICOS called for full compensation for any price cuts in contrast with the partial compensation proposed

ICOS Information Services

Throughout the year, ICOS provided information to its member co-operatives on a wide range of policy issues. This was provided through regular fax updates including pre and post Council Reports, Dairy Management Committee Reports, and the monthly ICOS Dairy Newsletter. The Division also provided tailored in-depth information on request to many of its members for specific analytical and strategic planning needs. In addition, throughout the year staff of the Division participated in member information meetings and training programmes concerning policy issues including milk, beef, cereals, currency, EMU, animal health and animal remedies.

Central and Eastern European Consultancy

Throughout the year this consultancy service continued to work on a project in Russia which has established fifteen co-operatives and producer marketing groups. In addition, a further producer marketing group project was contracted for Poland and project opportunities were initiated in other countries. The

consultancy activity in Eastern Europe is establishing good contacts with Ministries and representation organisations in these countries which are likely to become members of the EU in the next decade. In addition, it is providing detailed information on the development of the agriculture and agri-food sectors in these countries.

Dairy Committee

The review of the Dairy Committee for 1997 is tinged with sadness as it is over shadowed by the untimely and sudden death in February this year of the Vice-chairman, Mr. Michael Shortle. In extending our sympathy to his wife and family we recognise the immense contribution Michael made to the work of the Dairy Committee and also his contribution to his own community in County Wexford.

1. Milk Quota

The 1997/98 Quota year is significant from an Irish view point in that it is the first year that the quota will be based on a butterfat adjusted figure arising from the fact that the country has exceeded the National butterfat reference. It is significant that in the history of the fourteen years of Quota Regime, this is the first time that Ireland had experienced four consecutive years of SuperLevy. While final figures are not to hand it is expected that the over quota position on a butterfat adjusted basis would be in the region of 2/4 million gallons.



In the preceding three quota years, the country was marginally short of the butterfat threshold and this insured that our co-operatives had to spend much energy in advising the milk producers of the requirements and implications of the butterfat calculation. Critical among those areas were the establishment of accurate representative fat levels for each producer. ICOS member co-operatives, through the use of newsletters and circulars, also ensured that their producers were kept fully up-to-date on their individual position, the Co-operative's position and the national position.

During 1997 ICOS proposed to the Minister for Agriculture that a claw-back of 25% of quota should be applied to all land leases. On the other hand, ICOS also indicated strong opposition to a claw-back in the case of land sales.

The total quota offered into the restructuring scheme in 1997 was 18.3 million gallons as opposed to an average of 11 million gallons over the previous six restructuring schemes. The reduction in the price of £2 to £1.75 from 1996 to 1997 was likely caused to some extent by the uncertainty of the quota regime in the early part of 1997. In addition, the termination of a number of land leases would have resulted in the quota being offered to the restructuring scheme rather than suffering the claw-back. Temporary leasing for the past two years has settled at just under 60 million gallons as opposed to 71 million gallons in 1995 and 82 million gallons in 1994.

Figures prepared by the Department of Agriculture on the quota profile on 1 April 1996 indicate that the average quota of active producers is 27,423 gallons and the average quota for non-active producers with land leased quota is 13,364 gallons and temporary leased quota is 7,587 gallons. Milk producers with a quota of less than 35,000 gallons are the leasees of 32 million gallons (40% of the 80 million gallons currently held in land leases). While the average quota held by active producers increases, 74% of milk

producers have quota of less than 35,000 gallons and in total these produce 43% of the National Quota.

The various draft documents produced by the EU Commission in regard to CAP Reform have been examined in much detail by the ICOS Technical Subcommittee and the Dairy Committee. In regard to the quota regime, ICOS supports the retention of the quota regime from the year 2000 to 2006. It is noted that the actual wording of the draft proposal from the Commission is exactly the same as that in the existing regulation (3950/92) and is not specific in regard to the life of the milk quota regime. ICOS will shortly after the turn of the century be demanding from the Commission a clear indication of its intentions in regard to the quota regime after the year 2006.

2. **Milk Quality**

Member Co-operatives of ICOS and their milk suppliers are now fully conversant with the operational detail of Council Directive 92/46, which lays down the milk quality and onfarm standards for milk production. While the number of dairy farms registered - 7,000 approximately of the 36,000 active dairy farmers - is disappointing after two and half years work by dairy produce inspectors, member co-operatives have, through their own resources, brought many dairy farmers to the inspection standard and await approval.

During the past year much discussion took place in regard to the health certificate required under Council Directive 92/46. The ICOS Dairy Committee and member co-operatives have corresponded at length with the Department Officials and on the 9 October 1997 met the Minister of Agriculture & Food Mr. Joe Walsh.

ICOS has major concerns in relation to the style and practicality of the health certificate as published by the Department of Agriculture & Food.



The position of ICOS is that the certificates are by law required to be issued by the veterinary surgeon to the proprietor or person in charge of the holding concerned rather than circulating it by the Department of Agriculture for distribution by the co-operatives. The certification process could conveniently be conducted by the veterinary inspector during the annual herd test, with his knowledge of the farmer and the herd taken into consideration, and his knowledge of the ongoing health of the herd and its management. The form published for certification by the Department is not practical as it covers excessive detail and requires the manual recording of ear tags on three copies. The view of ICOS is that it is not necessary, under the regulation, to have an annual certification. That certification on a three or five year basis would suffice as sufficient mechanisms for the testing of milk to verify its overall quality is in place in co-operatives. ICOS has requested the Department to re-design the form taking into consideration the points made by the ICOS Dairy Committee.

ICOS continues to seek the re-establishment of grant aid for dairy farmers to meet the registration standards of Council Directive 92/46.

National Co-operative Marts Committee

During 1997, the National Co-operative Marts Committee met on four occasions, together with four meetings of the Administration Committee. There were also regular meetings of Managers and a series of Regional Meetings.

Mr Ted Hunt (Golden Vale Marts) and Mr Laurence Carroll (Kilkenny Mart) were re-elected Chairman and Vice-Chairman respectively at a Committee meeting held on 2 July.

In addition, Mr Tom Doyle (Wexford Farmers Co-op), Mr Tadg O'Brien (Castleisland Mart), Mr Matthew Malone (Nenagh Mart) and Mr Owen Morgan (Roscommon Mart) were re-elected to the Committee.

Co-operative Mart Trading in 1997

Total turnover in the Co-operative Mart Sector is expected to have shown a marginal increase for 1997. With turnover for 1996 at £573 million, the 1997 figure is not expected to exceed £590 million (i.e. an overall increase of less than 3%). This estimate is based on returns available to ICOS until the end of March.

Stock Numbers

Adult cattle numbers handled by Co-operative Marts recovered from the worst effects of the BSE crisis of 1996, with weanling numbers maintaining the upward pattern of previous years. Calf numbers, on the other hand, continue to decline. Co-operative Marts currently handle less than half the calf numbers of the pre 1983/1984 period. Sheep numbers which were well up for 1996, inevitably fell back to a more normal pattern for 1997.

| | |
|--------------|--------|
| Adult Cattle | +3.5% |
| Weanlings | +13.5% |
| Calves | -10.4% |
| Sheep | -5.8% |

Mart Profitability

Mart Trading incomes overall were restored to the pre-BSE levels of 1995, with an increase of up to 3.0%. With mart overheads well in check, mart trading profits would appear to have increased.

National Beef Assurance Scheme

During 1997, the work of the National Advisory Forum on Beef Assurance got underway. ICOS examined in detail the North of Ireland Farm Quality Assurance Scheme and submitted its proposals to the Forum. Regular meetings of the Group were held in Agriculture House in the early months of 1997, with the shape of the Beef Assurance Scheme emerging by Easter. The outline of the National Beef Assurance Scheme was launched by Minister Ivan Yates TD in Bord Bia headquarters on 21 May, with a timetable for its introduction on a phased basis in the period up to May 1998.

Livestock marts will play a vital role in both the Traceability and Assurance elements of the Scheme.

In July 1997 ICOS made its views known to the Department of Agriculture on the introduction of the Computerised Movement Monitoring Systems (i.e. CMMS) in marts in terms of:

- (i) Commencement of work.
- (ii) Need for pilot programmes.
- (iii) Cost recovery (both capital, development, and running costs).

Pilot Schemes got underway in Birr, Roscommon and Maynooth Marts in November and were due for completion by February 1998.

Brucellosis

The deteriorating situation concerning Brucellosis is of great concern to co-operatives in general and marts in particular. A major review of the entire Brucellosis Programme was carried out by the Department of Agriculture in the early months of 1997. This exercise was prompted by the gradually worsening situation in Munster, and also a deteriorating situation nationally. The major concerns related to the maintenance of Ireland's Officially Brucellosis Free status.

Meetings of the Animal Health Forum continued into the Summer and Autumn periods, with a Programme of New Brucellosis Measures launched by Minister Joe Walsh for introduction on 15 September. At the Special Meeting of the Animal Health Forum held on 20 November, it emerged that the number of restricted herds had now exceeded 300, which called for the reintroduction of compulsory 30 day blood testing, and an Annual Programme of blood testing in both dairy and suckler herds nationwide.

Mart Transparency Regulations

New regulations concerning transparency in marts were introduced in February 1997. The new requirements involve a variety of options for livestock marts in regard to the public identification of sellers of stock (i.e. catalogue sale, verbal announcements, public notice, display boards, etc.).

To date, ICOS is satisfied that the new Regulations have not impeded mart business.

Cattle Identification and Registration

A number of problems which arose with the new calf tagging and registration arrangements introduced in the Spring of 1996 were brought to the attention of the Department of Agriculture. These were:

- (i) Replacement of tags.
- (ii) Replacement of identity cards.
- (iii) Durability of the new cards.
- (iv) Non-registration of calves.

In addition, it emerged that under EU Regulation 820/97 a new EU passport system would be required from 1 January 1998. This passport, which involves considerable extra responsibilities for all keepers of cattle, including livestock marts, is fully operational in the case of all calves born after 1 January 1998. The detailed operational aspects are being kept under review with the Department of Agriculture.

BSE Compensation

A further package of Compensation Measures amounting to a total of £17m. from national resources was announced by Minister Ivan

Yates in April. The package, as announced by the Minister, made no provisions for liveweight sale of heifers through marts.

Due to the intervention of ICOS this decision was subsequently reversed. The payments covering sales in the period 1 April/10 June were subsequently paid to producers following clearance by Brussels in September.

Bord Bia Quality Assurance

Following repeated representations made by ICOS, the Board of An Bord Bia decided on 21 May to make provision in the Bord Bia Quality Assurance Scheme for the sale of beef through Livestock Marts. Approvals would be forthcoming from Bord Bia on the basis of requests from individual meat plants.

Subsequently a total of 50 representatives from 15 Marts participated in the joint Teagasc/Bord Bia Training Programme in Kildalton on 13/14 August.

In practice this scheme has not operated to date and the new Brucellosis measures make this increasingly unlikely.

Live Exports to The Continent

The Committee considered the appeal from the EU Live Exporters Association to provide financial backing for the Supreme Court case against Pandora. Having thoroughly examined all aspects of the proposal, the Committee decided not to recommend the case to individual co-operative marts for funding.

Subsequently, the Government gave its financial backing to the Purbeck Service operating from the port of Cork.

Conferences and Seminars

The 27th Annual General Meeting and Conference of Co-operative Marts was held in Portlaoise on 3 April, with speakers from the Department of Agriculture and Food in relation to Brucellosis and the National Beef Assurance Scheme.

In addition, the Annual Seminar for Mart Managers was held in the Killarney Park Hotel on 5/6 June. The theme of the Seminar was "Livestock Marts in Food Quality Assurance". A total of 24 Managers took part in the two-day event, which was well received.

Participation in AEMB and COGECA

The General Assembly of the European Association of Livestock Markets (AEMB), with President Michael O'Dwyer presiding, was held in Talavera De La Reina, Spain, on 16/17 April.

In addition a Board Meeting of the Association was held in Clogher, Co Tyrone on 22 November.

AEMB, through its close association with UECBV (The European Association of the Livestock and Meat Trade), continues to provide a very useful forum for livestock markets in Brussels.

The Secretary participated in the various Beef and Sheep Meat Working Group meetings in Brussels under the auspices of COGECA.

Monica Carr Memorial Fund

A cheque on behalf of the co-operative marts was handed over to the Chairman of the Trustees of the Monica Carr Memorial Fund, Mr Chris Glennon. The Monica Carr Fund will be used to support Cancer research in Peamount Hospital.

Animal Health Committee

During 1997 the full Committee met on three occasions, with Mr Tommy Joe Harty (Cork Marts) as Chairman of the Committee.

The Milk-Ring Testing Programme operated through the dairy co-operatives was stepped-up during the year, with the introduction of a total of 12 tests to operate on a monthly basis. A new three year Agreement on fees covering the period 1998/2000 was negotiated with the Department of Agriculture.

On the wider front, new Measures to tackle the rising incidence of Brucellosis were introduced.

The major elements in the new measures relate to:

- i) 30 Day compulsory blood testing.
- ii) A full round of blood testing in all herds, both dairy and suckler, nation-wide.
- iii) A new package of compensation measures.

A detailed submission was made to Minister Ned O'Keefe T.D., followed by a Submission to

the Irish Medicines Board in the October/November period, in relation to the conduct of Mastitis Prevention and Control Programmes by the dairy co-operatives, under the Poisons Regulations (1986) for the sale of intramammary products.

The joint CAHL/ICOS Training Programmes continue to be provided to co-operatives generally, with a total of 200 persons certified to date.

The Committee was represented at the Animal Health Distributors Association Conference held in Harrogate in January.

The future of the Animal Health Committee was considered in November, with the decision taken to replace the Committee with an Animal Health/Food Safety Forum in 1998.

Engineering Services

This year saw a modest increase in plans for livestock mart development. Grant applications were made for a number of mart improvement schemes in anticipation of the phasing out of EU structural funds. Pressure is increasing on marts from their local authorities to re-locate outside urban areas, particularly in the wake of local road improvement schemes.

A number of projects were carried out for the dairy co-ops, consisting of design, supervision, obtaining the appropriate local authority permits, and checking contractors' claims. Another society in the south west has joined those benefiting from the tourist boom and has built a development of holiday homes in Clonakilty.



Meeting with EU Commissioners to discuss CAP Reform proposals. (l-r): Martin Varley, Michael O'Dwyer, Commissioner Fischler, John Tyrrell.

A number of meetings were held during the year in conjunction with IBEC to discuss Integrated Pollution Licencing. As there was serious concern about the stringency of some of the emission standards in the Guidance Notes for the Dairy Industry issued by the Environmental Protection Agency, a report was commissioned from Forbairt, arguing for a relaxation of some parameters. This was presented to the Agency in Autumn. Although the response was less than satisfactory, an undertaking was given that each licence application would be treated on its merits and that a degree of flexibility will be offered where a suitable case is made.

ICOS Brussels

1997 was a busy year for the European Union. In July the Commission presented proposals to reform the CAP and the Structural Funds. A strategy for enlarging the EU to the countries of central and eastern Europe was also outlined which will bring enormous change to the EU and the CAP, in particular, in the next millennium.

The reform proposals were presented on the basis of a market outlook paper prepared by the Commission in April 1997 which concluded that in the cereals and beef sector stocks would rise dramatically to unsustainable levels by 2005 unless reform took place. On milk the Commission concluded that prices would remain under pressure due to increasing access to the EU market and a falling share of world trade.

Through the Brussels office ICOS plays an important role in influencing the development of European agriculture policy through direct contact with key decision makers at European level. Throughout 1997 ICOS Brussels also organised numerous meetings for member co-operatives to meet with the decision-makers in Brussels. ICOS maintains daily contact with the European Commission and the European Parliament to ensure that all policy issues are actively monitored and to ensure that ICOS has the most up to date information available. Among the many issues ICOS Brussels lobbied on during 1997 were:

- the cuts in dairy support particularly in cheese and ‘fresh products’
- the increased support needed for SMP
- the chocolate directive
- the changes in defining processed cheese under the inward processing rules
- the declining support for Casein
- The Green Paper on Food Law
- the European Parliament’s temporary committee inquiry into BSE
- Compensation for Irish Green Pound revaluations
- the CAP reform proposals
- plans by the Commission to reduce the level of consultation with farmers and co-operatives.

ICOS is a member of COGECA, the umbrella body for European co-operatives and has maintained an office in Brussels since 1973. COGECA provides ICOS with a forum to meet its counterparts from the other Member States of the European Union to develop common positions and to lobby collectively in Brussels for co-operatives in Europe. Representing over 30,000 co-operatives COGECA is an influential voice in Brussels. In December 1997 the COGECA Praesidium - its highest decision making body - elected John Tyrrell as Vice-President for a further two year term. As a member of the Presidency of COGECA John Tyrrell met with Commissioner Fischler and the President of the Farm Council on a regular basis to lobby on behalf of co-operatives. ICOS participates in numerous Commission advisory committees and COGECA working group covering all sectors from dairy and beef to rural development and food law. Our representatives during 1997 were:

| | |
|---|------------------------------------|
| COGECA Praesidium | Michael O’Dwyer John Tyrrell |
| Milk & Dairy Products | Martin Varley George Kearns |
| Sheepmeat | Maurice Colbert |
| Beef | Martin Varley Maurice Colbert |
| European Association of Livestock Marts | Michael O’Dwyer Maurice Colbert |
| Eggs & Poultry | Alo McGrath |
| Feedstuffs | Eamonn Walshe |
| Foodstuffs | Michael Hickey |
| Seeds | Gerry Griffith |
| Agricultural Structures | Seamus O’Donohoe |
| Oilseeds | John Rice |
| Animal Breeding | Bernard Eivers |
| Veterinary Matters | Sean Crowley |
| Legal Questions | Greg Tierney |
| ECORD | Martin Varley |
| CEPFAR/Training | Seamus O’Donohoe |
| Committee on Commerce & Distribution | Greg Tierney |
| Fisheries | Mark Lochrin |
| Agritourism | Seamus O’Donohoe |

Permanent Representative in Brussels

Michael Quigley

ICOS in Brussels in conjunction with Dublin organised a study tour to Hungary and the Czech Republic in November for co-operative personnel to examine the agricultural situation in these countries.

Member Development Division

Education and Training

Director Development

ICOS offers a variety of Director Development programmes to member co-operatives. In 1997 eight co-operatives participated in a series of one and two day modular training programmes. ICOS continued with its special introductory programme for new directors "Introduction to Good Board Practice". This programme with its emphasis on key boardroom skills attracted over thirty directors from thirteen individual co-operatives.

Leadership Training

An innovative feature of this years Leadership Training Programme was the organising of a special workshop for young co-operative leaders at this years National Conference. This attracted over fifty young farmer delegates from twenty co-operatives. The emphasis of Member Development resources on development programmes for younger co-operative members with leadership potential continued in 1997 with ten such programmes being successfully run. These programmes are customised to suit the requirements of member co-operatives in terms of timing and duration. Programmes offered varied from three days up to ten days with some programmes having a second year module. These programmes are planned and delivered on a joint basis between ICOS staff and the staff of the particular co-operative involved.

General Co-operative Training

As part of its wider training remit, the member development division continued to organise and deliver a co-operative training input into Teagasc "Green Certificate" programmes, university undergraduate, post graduate, extra rural courses and new co-operative start-ups. In 1997 the staff of the Division participated in eight such programmes.

1997 National Conference

The theme of the 1997 National Co-operative Conference was "Market Reorganisation in the Agri-Food Sector". The keynote address "EU Perspective on Agenda 2000" was given by Mr Raymond Keane, Deputy Director, European Commission.

The format was changed somewhat in 1997 with the introduction of two separate workshop sessions. These worked very successfully in allowing a greater degree of interaction and participation by delegates attending.

The conference attracted a capacity audience with over two hundred and seventy people in attendance to hear the Taoiseach, Mr Bertie Ahern T.D speak as guest of honour at the Conference Dinner.



The Taoiseach Bertie Ahern with John Tyrrell and Michael O'Dwyer at the ICOS Conference Dinner.

RURAL DEVELOPMENT AND AGRICULTURAL STRUCTURES

ICOS Rural Development Committee

The Rural Development Committee undertook a fundamental review of its role and objectives in 1997. The purpose of the review was to narrow the focus of the work of the Committee. The variety of demands being placed on the Committee's time made it difficult to provide effective leadership in all areas. The role of the Committee will become more focused in 1998 towards rural development activities that are of direct benefit and interest to our affiliated co-operatives. The Committee will also be directing its competence to assisting rural groups, projects and activities that have a clear co-operative dimension.

Leader Groups

An expanding activity within the division is the provision of consultancy advice, organisational and development

programmes to rural development groups such as area partnerships and Leader groups. This service is provided on a fee basis and was availed of by ten rural development groups in 1997

Area Partnership Companies

The response of ICOS to local development initiatives such as Area Partnership Companies [APC's] and County Enterprise Boards [CEB's] is co-ordinated by the Rural Development Committee. This is mainly effected in the case of Area Partnership Companies through a special ADM Rural Development Committee involving all the farm organisations. In the case of County Enterprise Boards, the four farm organisations have one joint nominee on each CEB.

Operational Programme for Agriculture, Rural Development and Forestry (OPARDF)

Most agricultural measures and schemes under this operational programme were suspended in 1997 as applications exceeded the budgetary provisions for the schemes. ICOS, through its role on the Monitoring Committee of the OPARDF, was successful in getting a partial lifting of this suspension in the case of the Dairy Hygiene Measure and the Farm Yard Pollution Measure. The Monitoring Committee for the OPARDF met on two occasions in 1997. These meetings receive progress reports on the implementation of schemes and evaluate the effectiveness and impact of these schemes.

EU Advisory Committee on Agricultural Structures

The EU Advisory Committee on Agricultural Structures met on two occasions in 1997. The Committee discussed elements of structural policy and programme measures impacting on co-operatives and their members. Much of the focus of the Committee's work in 1997 involved reviewing the progress of various accompanying measures in agriculture such as the Early Retirement Scheme, the Rural Environmental Protection Scheme and the Afforestation Scheme. The Committee also discussed, on a preliminary basis, the proposals emerging in regard to agricultural measures under Agenda 2000. Representations were made by the ICOS Rural Development

Committee, through the Advisory Committee, to have changes made in the enlargement conditions applying to eligibility for the Early Retirement Scheme. The indications are that these representations will be successful in the context of the next round of structural measures under Agenda 2000.

Member Relations

The Member Development Division is available to all co-operatives for attendance at membership meetings or management committee meetings. The Division actively participates in the preparation of Rules, assisting in restructuring, dispute resolution and assisting co-operatives in their general communication with members.

In 1997 the major restructuring event was the merger of the Avonmore and Waterford Societies to create Avonmore Waterford Co-operative Society Limited. In the year under review the Division was also involved in Complete and Partial Amendment of Rules for a number of societies. In a number of instances this involved a complete review of the representation structure of these societies.

Progress continues to be reported by the Division on societies reviewing and developing policies on co-op membership, updating of the share registers, bonus share issues, and redemption of shares. A number of the Rule changes in these areas implemented in previous years have become operational.

The Division experienced increased levels of interest by societies in Rules concerning patronage shareholding and control by active members.

National Co-operative Pig Producers Society Ltd.

The Division continues to provide secretarial services to this Society. The work of the Society is mainly the dissemination of information among its members.

Plunkett Award

The 1997 winner of the Plunkett Award for Co-operative Endeavour was Mr Donal Creedon, a Lakeland Co-operative Board Member and a past Secretary of the Department of Agriculture.



Mr. Donal Cashman receiving the Plunkett Award from the President of ICOS.

The Award was presented to Donal Creedon in recognition of his stalwart defence of co-operative values shown by Killeshandra and Lough Egish Dairies in the face of a strong competitive challenge from non co-operative interests when amalgamating to create Lakeland Dairies Co-operative Ltd.

Irish Milk Quality Co-operative Society Ltd.

The Irish Milk Quality Co-operative Society organised a major seminar in December 1997 for the dairy industry on "Improving Milking Machine Standards as part of a Total Quality Milk Programme." The seminar concentrated on the new ISO standards and the new safety requirements for milking machines. The seminar attracted 200 delegates and was organised by the Member Development Division as part of the secretarial and management service it provides to IMQCS. During the year, the Society continued its role in training milking machine technicians and ran a training programme in Moorepark on a joint basis with Teagasc. IMQCS in 1997 also produced a new edition of the IMQCS National Register of Certified Milking Machine Technicians which was circulated to all relevant co-operative personnel.

Irish Timber Growers Association (ITGA)

The work of the division with ITGA expanded in 1997 with the establishment of a new joint venture programme in forestry with the Avonmore Waterford Group. This programme will focus on providing farmers in the old Waterford catchment area with

professional advice on all aspects of forestry. The long term objective of the programme is to establish a forestry co-operative that will look after and service the interests of growers in that region.

The Division has provided a secretarial and management service to the Irish Timber Growers Association on a consultancy basis since 1992. With many of our co-operatives showing an expanding interest in servicing different aspects of this sector the work being done by ICOS in this area is complementary to the activities of these co-operatives.

Western Forestry Co-operative Society Ltd.

The aim of the Western Forestry Co-operative is to ensure that every farm woodland owner is a member of his local forestry co-operative. In 1997 membership of local co-operatives and the levels of services to members expanded. In all, twenty local co-operatives are serviced by thirteen development officers (eight full-time and five part-time).

Nine of these officers are professional foresters. Overall their role is to promote planned farm afforestation and co-ordinate the activities of all relevant statutory and voluntary development agencies within each forestry co-operative area.

The Western Forestry Co-operative Society has an overall co-ordination role in the running of local farmer forestry producer co-operatives in the Western and North Eastern counties. The Co-operative is assisted in its development programme by funding under the Operational Programme for Agriculture, Rural Development and Forestry.

The major organisational challenge for the co-operative is to promote the release of areas of marginal land present on almost every farm into forestry and to group these into viable well laid out blocks. Promoting group forestry involves a close liaison with communities, farming organisations and the statutory rural development bodies, to ensure that the Afforestation Programme is a positive element of overall community development programmes and complements rather than substitutes for existing farming enterprises.

HUMAN RESOURCES

1997 proved to be a very busy year on the Human Resources front with two issues predominating. These were the Partnership 2000 Agreement and the Organisation of Working Time Legislation. Early in 1997, the Industrial Relations Advisory Committee (IRAC), set up a Sub-Committee to lobby TDs and to meet with the Department of Enterprise, Trade and Employment officials on the proposed legislation. It was as a direct result of IRAC's efforts that the Minister amended the working hours limit to allow for the phased introduction of the 48 hour maximum over a three year period.

IRAC also met and discussed with the Labour Relations Commission officials, the proposed Code of Practice on Compensatory Rest. Information was circulated to societies advising them on how to proceed with the implementation of the legislation and the importance, for both employers and employees, of concluding collective agreements following the introduction of the legislation on 1 March 1997.

Some concern was experienced during the year in relation to the Programme 2000 Agreement. Societies found their employees reluctant to engage in discussions on "Partnership" and, subsequently, SIPTU appeared to imply that the Union would be seeking a further 2% increase over and above the terms of the Agreement. ICOS has maintained a watching brief on the issue.



The President of ICOS, Michael O'Dwyer talking to Carl Baumann (Mid America Dairymen) and Ned O'Keefe, Minister of Food prior to the opening of the ICOS National Conference.

There were many queries and requests for assistance from individual societies on the Industrial Relations/Personnel front over the year. In all, ICOS met with the management of societies on thirty occasions and participated in management/union meetings on thirty-three occasions. ICOS also assisted societies at various Labour Relations Commission Conciliation Conferences and at a Rights Commissioner Hearing.

The IRAC Annual Winter Seminar was held in late November on the topic of "Partnership in Co-operatives". This proved to be a very topical issue and the seminar, which was well attended, proved to be most successful.

Irish Foundation for Co-operative development

Thanks to the continued support of our co-operatives, particularly our dairy societies, the work of the Irish Foundation for Co-operative Development has continued and expanded during the past year. In addition to the funds provided by our member co-operatives, the Foundation is able to access financial support from APSO, from Irish Aid and from the NGO Co-financing Scheme of the European Union. In effect, each pound provided by our co-operatives can be matched by a further three or four pounds from other sources.

The work of IFCD continues to be concentrated in Uganda and Tanzania in East Africa, but two exploratory visits were made to the Gambia in West Africa at the invitation of the Government of that country.

Uganda

Eamonn Henry continues to work in the Rakai District in Uganda. Our present project has now entered its third and final year and there is very satisfying progress to report.

Our work with local coffee co-operatives and women's groups has attracted attention from the UN and other agencies. The World Food Programme, which purchases food for famine relief in other parts of Africa, has used the IFCD groups to source beans and pulses. Seeds were provided through the co-operatives to the local farmers and a secure market at good prices was provided for the produce. The economic results of this pilot scheme have been quite impressive. It is estimated that a minimum of \$250,000 has been paid out to farmers in the first year of the scheme.

Funding for this project has been provided by USAID through a local agency, the Agri-Business Development Centre (ADC), which is very happy to work through the local structures provided by IFCD. IFCD has been asked to collaborate with the ADC for a further two years and to extend our work into the neighbouring District of Masaka. A budget of almost \$0.5m is being made available to finance this expansion of our work to cover costs of

extra personnel, transport, computers and other office facilities as well as seeds and other inputs.

This very practical help for farmers to increase their output and income in such a substantial way is a major economic boost to a District that has suffered so much from the civil war and the AIDS epidemic. It provides, over a three year period, a chance to establish an ongoing pattern of input supply and marketing through a District-wide co-operative structure. It also introduces new crops - beans, maize and other pulses - to supplement the more traditional coffee and vegetable crops already grown in the District.

Tanzania

The team of local experts at Iringa under Mr Msangi, has been carrying on the work of IFCD since Aidan Gillan left in 1996. They continue to need direction and advice in planning a work programme and carrying it out. In March a major appraisal of the project was undertaken and a three year development plan was drawn up, which has since been submitted to the EU Commission for co-financing. It is confidently expected to receive this support. In the meantime, IFCD continues to fund the ongoing costs.

It has been found impossible to make real progress with the existing very small local co-operative units, and so we have encouraged and promoted the setting up of Producer Marketing Groups covering a number of the traditional co-op areas. This approach seems to be finding favour and a number of groups, both of coffee farmers and maize farmers, have already emerged during the last marketing year. By organising themselves a little better and arranging the hire of transport, these groups have been able to improve the return on their maize by over 30%, while the improvement in coffee prices is expected to be much higher.

The second leg of our current project at Iringa seeks to promote and encourage local savings groups. Villagers always relied on Government to provide capital for everything, but that

source has dried up in recent years and a self-help approach to mobilising small local savings is now seen as the best option. One of our team is full-time on this work assisting a selected number of groups in three Districts of the Region.

The Gambia

The Chairman of the Foundation, Billy Nagle, together with the Director, Malachy Prunty paid a visit to the Gambia in West Africa in May at the invitation of the Ministry of Agriculture there. The Gambia is a very small English speaking country totally surrounded by French speaking Senegal. It has a population of just over one million people, over 85% of whom depend on agriculture. The main crop is groundnuts, which in the past, was a major export earner, but as a result of a lot of political unrest over the past fifteen years, production and marketing has disimproved considerably. The country is only 50% self sufficient in food. The newly elected Government resulting from a coup in 1994 is seeking to attract outside help in resuscitating the Co-operative Movement, which has fallen into bad times.

As a result of the visit, during which all relevant Ministers and Officials were met, IFCD made certain recommendations for the restructuring of the Co-operative Movement. It was suggested that a more voluntary approach should be encouraged through more liberal legislation and a freeing up of markets for agricultural produce. IFCD offered to assist in the mobilisation of other major donor agencies such as the UN and EU by helping to draw up a plan for development.

Our recommendations were very well received and IFCD was asked to come back again to assist in drafting a policy framework document for the Government. In a further short visit late in the year, IFCD reiterated the commitment to providing assistance in the future when conditions are considered conducive to real practical development. Meanwhile the credit union movement is gaining ground and providing evidence of the way a co-operative self-help approach can assist with economic development.



IFCD meeting at the Ministry for Agriculture in the Gambia. (L-r): Mr. B. Sonko, Registrar of Co-ops, Malachy Prunty IFCD, William Nagle IFCD, Mr. Mbusa Mbengi, Secretary of State for Agriculture, Mr. Kintel Permanent Secretary at Ministry for Agriculture.

Acknowledgements

On behalf of all those whose lives are improved through the work of IFCD, we want to acknowledge the valuable contributions of all our co-operatives who are making it possible to continue that work. We acknowledge also the support of APSO, Irish Aid and the European Union non-Governmental Organisations Co-financing Unit.

Financial Services Sector

Grants

ICOS has continued its services to Co-operatives in this area during 1997 by:

- I. Providing advice and information on the various sources of grant;
- II. Preparation of grant applications and claims for drawdown of funds;
- III. Monitoring the progress of the application during the decision making process.

1997 saw the completion of grant aid under the FEOGA scheme, with all monies now being allocated. A number of Co-operative Marts were successful in obtaining grant aid during the year.

Pensions

Two industry wide pension schemes are administered by the division. 1997 was an exceptional year for pension schemes with average investment returns of 32%. This compares to a 14% increase in the previous year. During the year an actuarial valuation of the managers scheme was carried out. The scheme continues to make substantial financial progress.

Icos Finances

The deficit for the year after taxation was £13,143 as compared to a surplus in 1996 of £2,365. Income increased by 1% while expenditure increased by 2%. This was mainly due to the increase in pension costs as more employees became eligible to join the scheme. Other expenses were broadly static for the year except public relations which included the cost of a PR Company for the full year as opposed to a half year in 1996.

The internal financing of ICOS was given a high priority again in 1997. The cost structure is kept constantly under review. The objective must be to provide services to members as cost effectively as possible. Projections are for a decrease in ICOS affiliation fees as they are

currently structured as the sector rationalises and more mergers take place. Against this background ICOS has begun to explore other avenues of revenue generation.

During 1997 ICOS was successful in securing EC grants for the organisation of certain seminars with a European theme. During 1998 such opportunities continue to be explored.

Other Issues

The division has worked on the following issues during the year.

- I. Providing a forum for Financial Controllers through meetings dealing with the Year 2000 problem and EMU;
- II. Assistance to Co-operatives in relation to the issue of untimely claiming of credit on VAT in respect of milk;
- III. Participation in Forbairt's Business Awareness Forum in relation to EMU;
- IV. Member of a consortium of "Adapt" and "Now" Project pioneered by Golden Vale on providing greater opportunities and training for women in clerical positions.
- V. Seminars on basic accounting procedures to Young Farmers and Directors/Committee members.

Personnel Changes

The past year saw a complete restructuring within the finance sector, with major changes in personnel. This year saw the departure of Claire O'Reilly after 23 years of invaluable service and the departure of Stephen Walsh.

Also in late 1997 John Burke as Financial Controller left the organisation.

The replacements were Ruth Fletcher in April 1997 as Finance Executive and Mary Kennedy in early 1998 as Financial Controller.

Revised Co-op Principles of the international Co-operative Alliance

Definition

A co-operative is an autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations through a jointly-owned and democratically controlled enterprise.

Values

Co-operatives are based on the values of self-help, self-responsibility, democracy, equality, equity and solidarity. In the tradition of their founders, co-operative members believe in the ethical values of honesty, openness, social responsibility and caring for others.

Principles

The co-operative principles are guidelines by which co-operatives put their values into practice.

1st Principle: Open and Voluntary Membership

Co-operatives are voluntary organisations, open to all persons able to use their services and willing to accept the responsibilities of membership, without gender, social, racial, political or religious discrimination.

2nd Principle: Democratic Member Control

Co-operatives are democratic organisations controlled by their members, who actively participate in setting their policies and making decisions. Men and women serving as elected representatives are accountable to the membership. In primary co-operatives, members have equal voting rights (one member, one vote) and co-operatives at other levels are also organised in a democratic manner.

3rd Principle: Member Economic Participation

Members contribute equitably to and democratically control the capital of their co-operative. At least part of that capital is

usually the common property of the co-operative. Members usually receive limited compensation, if any, on capital subscribed as a condition of membership. Members allocate surpluses for any of the following purposes: developing their co-operative, possibly by setting up reserves, part of which at least would be indivisible; benefiting members in proportion to their transactions with the co-operative; and supporting other activities approved by the membership.

4th Principle: Autonomy and Independence

Co-operatives are autonomous, self-help organisations controlled by their members. If they enter into agreements with other organisations, including governments, or raise capital from external sources, they do so on terms that ensure democratic control by their members and maintain their co-operative autonomy.

5th Principle: Education, Training and Information

Co-operatives provide education and training for their members, elected representatives, managers and employees so they can contribute effectively to the development of their co-operatives. They inform the general public (particularly young people and opinion leaders) about the nature of co-operation.

6th Principle: Co-operation among Co-operatives

Co-operatives serve their members most effectively and strengthen the Co-operative Movement by working together through local, national, regional and international structures.

7th Principle: Concern for Community

Co-operatives work for the sustainable development of their communities through policies approved by their members.

ICOS Mission Statement

*To provide leadership
for the co-operative movement,
and to promote,
develop,
co-ordinate,
and represent
agri and rural related co-operatives
in the interests of their members.*

ICOS Services

With the objective of implementing its Mission Statement ICOS, which itself is a co-operative, provides a range of services to member co-operatives and groups wishing to form co-operatives.

These include the following:

- **Policy formulation on issues affecting co-operatives.**
- **Preparation of rules and assistance to groups in the process of incorporation.**
- **Advice on sourcing of funds and other financial services.**
- **Representation at European Union level.**
- **Analysis and interpretation of European Union Legislation.**
- **Consultation through the E.U. Advisory Committee Structure.**
- **Lobbying at National and E.U. level on issues of relevance to Co-ops.**
- **Provision of Director Training Programmes.**
- **Provision of Co-operative Leadership Programmes.**
- **Advice on Industrial Relations matters.**
- **Advice on Corporate Structures.**
- **Analysis of Co-op financial data.**
- **Analysis and interpretation of Irish legislative issues.**

Statement of the Society's and the Board's Responsibilities

The Industrial and Provident Societies Acts require the Board to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Society and of the surplus or deficit of the Society for that period. In preparing those financial statements, the Board is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Society is responsible for keeping proper books of account such as are necessary to give a true and fair view of the state of affairs of the Society and to explain its transactions. The Board is responsible for safeguarding the assets of the Society and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board:

President: M. O'Dwyer

Director General: J. R. Tyrrell

Secretary: G. C. Tierney

18 March 1998

Report of the Auditor

To the members of the Irish Co-operative Organisation Society Limited

I have audited the financial statements on pages 3 to 8 which have been prepared under the historical cost convention and the accounting policies set out on page 3.

Respective responsibilities of the Board and auditor

As described above, the Society's Board is responsible for the preparation of the financial statements. It is my responsibility to form an independent opinion, based on my audit, on those statements and to report my opinion to you.

Basis of opinion

I conducted my audit in accordance with Auditing Standards issued by the Auditing Standards 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 judgements made by the Board in the preparation of the financial statements and of whether the accounting policies are appropriate to the Society's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me 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 my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion, the financial statements give a true and fair view of the state of financial affairs of the Society at 31 December 1997 and of its deficit for the year then ended. I have carried out such procedures and obtained such information as I considered necessary.

I found the Society's books, deeds, documents, accounts and vouchers relating thereto, to be correct, duly vouched and in accordance with the Industrial and Provident Societies Acts, 1893 to 1978.

Thomas J. McCarthy
Public Auditor

(Craig Gardner & Co)
Chartered Accountants and Registered Auditors
Dublin

18 March 1998

Accounting Policies

The significant accounting policies adopted by the Society are as follows:

Basis Of Accounting

The financial statements are prepared under the historical cost convention.

Societies' Contributions

Contributions from societies are taken to credit of the income and expenditure account for the year in which such contributions are received and arrears are not included at the year end.

Fixed Assets

Fixed assets are stated at cost less accumulated depreciation.

Depreciation is calculated in order to write off the cost of the fixed assets over their estimated useful lives by equal annual instalments.

Leased Assets

Where fixed assets are financed by leasing agreements which give rights approximating to ownership ("finance leases"), they are treated as if they had been purchased outright at the present values of the minimum lease payments; the corresponding obligations are shown in the balance sheet as finance leases.

The present value of the minimum payments under a lease is derived by discounting those payments at the interest rate implicit in the lease, and is normally the price at which the asset could be exchanged in an arm's length transaction.

Depreciation is calculated in order to write off the amounts capitalised over the estimated useful lives of the assets by equal annual instalments.

The difference between the total rentals under a lease over the amount capitalised is treated as interest, which is amortised to the income and expenditure account over the period of the lease.

Leases other than finance leases are "operating leases" and the rentals thereunder are charged to the income and expenditure account on a straight line basis over the periods of the leases.

Pensions

The pension entitlements of employees are secured by contributions to a separately administered pension fund and these contributions are charged to the income and expenditure account on an accruals basis. Annual contributions are based on regular actuarial valuations.

Deferred Taxation

Deferred taxation is provided on timing differences to the extent that it is expected to become payable in the foreseeable future and any amount not provided is disclosed as a contingent liability.

Timing differences are temporary differences between profits as computed for taxation purposes and profits as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different periods for taxation purposes.

Foreign Currencies

Current assets and current liabilities denominated in foreign currencies are translated into Irish pounds at the rates of exchange ruling at the balance sheet date.

Profits and losses arising from foreign currency translations and on settlement of amounts receivable and payable in foreign currency are dealt with through the income and expenditure account.



Mr. John Tyrrell and Michael O'Dwyer at the AGM.

Income and Expenditure Account

| Year ended 31 December 1997 | 1997 IR£ | 1996 IR£ |
|---|---------------------|---------------------|
| Income | | |
| Societies' contributions received | 1,137,472 | 1,131,304 |
| Other income (including registration services) | 13,292 | 16,325 |
| Seminars | 14,925 | 4,612 |
| | 1,165,689 | 1,152,241 |
| Expenditure | | |
| Payroll | | |
| Salaries and state insurance, less recoveries | 551,437 | 558,329 |
| Pension scheme premiums and superannuation | 123,469 | 104,354 |
| | 674,906 | 662,683 |
| Travel and services | | |
| Travelling expenses | 177,121 | 172,239 |
| Postage and telephone | 51,452 | 53,081 |
| Printing and stationery | 27,917 | 35,140 |
| Public relations, education and training | 43,336 | 33,307 |
| Consultancy fees | 12,038 | 5,765 |
| | 311,864 | 299,532 |
| Overheads | | |
| Rent, rates, light, insurance and household expenses | 86,221 | 87,393 |
| Subscriptions | 44,289 | 41,587 |
| Depreciation of fixed assets | 28,750 | 25,328 |
| Maintenance and repairs | 16,929 | 20,614 |
| Professional fees | 12,713 | 9,574 |
| Interest and bank charges | 1,345 | 5,141 |
| Miscellaneous expenses | 7,315 | 4,111 |
| | 197,562 | 193,748 |
| | 1,184,332 | 1,155,963 |
| Deficit for year before state grant and taxation | (18,643) | (3,722) |

On behalf of the Board:

President: M. O'Dwyer

Director General: J. R. Tyrrell

Secretary: G. C. Tierney

General Revenue Account

| Year ended 31 December 1997 | Note | 1997 IR£ | 1996 IR£ |
|---|-------------|---------------------|---------------------|
| Deficit for year before state grant and taxation | | (18,643) | (3,722) |
| State grant | | 11,000 | 11,000 |
| (Deficit)/Surplus for year before taxation | | (7,643) | 7,278 |
| Taxation | 1 | (5,500) | (2,475) |
| (Deficit)/Surplus for year after taxation | | (13,143) | 4,803 |
| Accumulated deficit at beginning of year | | (240,899) | (245,702) |
| Accumulated deficit at end of year | | (254,042) | (240,899) |

All income and expenditure arises solely from continuing operations. There were no recognised gains or losses other than those dealt with in the Income and Expenditure Account and the General Revenue Account.

On behalf of the Board:

President: M. O'Dwyer

Director General: J. R. Tyrrell

Secretary: G. C. Tierney

Balance Sheet

| 31 December 1997 | Notes | 1997 IR£ | 1996 IR£ |
|--|--------------|---------------------|---------------------|
| Current assets | | | |
| Bank balances and cash | | 565 | 3,174 |
| Debtors and prepayments | 2 | 127,454 | 102,570 |
| | | 128,019 | 105,744 |
| Fixed assets | | | |
| | 3 | 71,851 | 94,727 |
| | | 199,870 | 200,471 |
| Representing capital employed: | | | |
| Share capital | 4 | 70 | 70 |
| General revenue account - deficit | | (254,042) | (240,899) |
| Shareholders' deficit | | | |
| | 5 | (253,972) | (240,829) |
| Current liabilities | | | |
| Bank overdrafts | | 52,283 | 39,866 |
| Creditors and accruals | 6 | 178,559 | 178,434 |
| | | 230,842 | 218,300 |
| Loan from the Golden Jubilee Trust Fund | | | |
| | 7 | 220,000 | 220,000 |
| Deferred taxation | | | |
| | 8 | 3,000 | 3,000 |
| | | 199,870 | 200,471 |
| | | 199,870 | 200,471 |

On behalf of the Board:
President: M. O'Dwyer

Director General: J. R. Tyrrell

Secretary: G. C. Tierney

Notes to the Financial Statements

| | | | | | |
|----------|---|--|---|---|----------------------------|
| 1 | Taxation | 1997 IR£ | 1996 IR£ | | |
| | Based on the (deficit)/surplus for the year: | | | | |
| | Corporation tax charge at 38% (1996: 38%) | 5,500 | 2,475 | | |
| | | <u> </u> | <u> </u> | | |
| 2 | Debtors and prepayments | 1997 IR£ | 1996 IR£ | | |
| | Debtors and prepayments | 39,876 | 32,107 | | |
| | Amount owed by ICOS Services Co-operative Society Limited | 37,013 | 35,089 | | |
| | Amount owed by Irish Agri Food Development Limited | 50,565 | 35,374 | | |
| | | <u> </u> | <u> </u> | | |
| | | <u>127,454</u> | <u>102,570</u> | | |
| 3 | Fixed assets | Furniture, fittings and equipment IR£ | Computer equipment IR£ | Motor vehicles IR£ | Total IR£ |
| | Cost | | | | |
| | At 31 December 1996 | 155,816 | 62,850 | 88,410 | 307,076 |
| | Additions | 6,906 | 8,606 | - | 15,512 |
| | Disposals | - | - | (12,045) | (12,045) |
| | | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | At 31 December 1997 | 162,722 | 71,456 | 76,365 | 310,543 |
| | | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | Accumulated depreciation | | | | |
| | At 31 December 1996 | 113,131 | 48,922 | 50,296 | 212,349 |
| | Charge for year | 11,152 | 7,661 | 9,937 | 28,750 |
| | Disposals | - | - | (2,408) | (2,408) |
| | | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | At 31 December 1997 | 124,283 | 56,583 | 57,825 | 238,691 |
| | | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | Net book amounts | | | | |
| | At 31 December 1997 | 38,439 | 14,873 | 18,540 | 71,852 |
| | | <u> </u> | <u> </u> | <u> </u> | <u> </u> |
| | At 31 December 1996 | 42,685 | 13,928 | 38,114 | 94,727 |
| | | <u> </u> | <u> </u> | <u> </u> | <u> </u> |

Included above are the following amounts in respect of assets which are financed by finance leases and which remain in the legal ownership of the lessors:

| | | |
|----------------------------------|---------------------------|---------------------------|
| | 1997 IR£ | 1996 IR£ |
| Net book amount at 31st December | 247 | 369 |
| | <u> </u> | <u> </u> |
| Depreciation | 122 | 122 |
| | <u> </u> | <u> </u> |

Notes to the Financial Statements - continued

3 Fixed assets - continued

The estimated useful lives of fixed assets by reference to which depreciation is calculated are as follows:

| | |
|-----------------------------------|----------|
| Furniture, fittings and equipment | 10 years |
| Computer equipment | 5 years |
| Motor vehicles | 5 years |

4 Share capital

IR£

At 31 December 1997 and 1996 - 140 shares of 50p each 70

5 Reconciliation of movements on shareholders' deficit

1997

1996

IR£

IR£

| | | |
|---|-------------|-------------|
| (Deficit)/Surplus for year after taxation | (13,143) | 4,803 |
| Issue of shares | - | 14 |
| | <hr/> | <hr/> |
| Net movement in shareholders' deficit | (13,143) | 4,817 |
| Opening shareholders' deficit | (240,829) | (245,646) |
| | <hr/> | <hr/> |
| Closing shareholders' deficit | (253,972) | (240,829) |
| | <hr/> <hr/> | <hr/> <hr/> |

6 Creditors and accruals

1997

1996

IR£

IR£

| | | |
|-------------------------|-------------|-------------|
| Creditors and accruals | 173,059 | 175,959 |
| Corporation tax payable | 5,500 | 2,475 |
| | <hr/> | <hr/> |
| | 178,559 | 178,434 |
| | <hr/> <hr/> | <hr/> <hr/> |

7 Loan from the Golden Jubilee Trust Fund

This loan is interest free and carries no fixed repayment terms.

8 Deferred taxation

1997

1996

IR£

IR£

| | | |
|--|-------------|-------------|
| On accelerated capital allowances at 30% (1996: 30%) | 3,000 | 3,000 |
| | <hr/> <hr/> | <hr/> <hr/> |

Notes to the Financial Statements - continued

9 Pensions

The Society operates a defined benefit pension scheme covering its employees. These benefits are funded through an external pension scheme which is vested in independent trustees for the sole benefit of employees or their dependants. The Society's contributions to the scheme, charged to the Income and Expenditure Account, are calculated with independent professional actuarial advice. An actuarial valuation of the scheme is made every three years.

On the basis of the latest actuarial valuation as at 22 December 1994 the market value of the scheme's assets was IR£1,000,000. Benefits that had accrued to the members based on service to, and pensionable pay at, the valuation date exceeded the market value of the scheme's assets by IR£242,000. The level of funding was 81% after allowing for expected future pay increases. Contributions to the pension scheme will continue at the actuary's recommended rate, and the variation from regular cost will be charged over the average expected remaining service lives of employees as a fixed percentage of expected future pay. The principal actuarial assumption adopted in the valuation was that, over the long term, the annual rate of return on investments would be 1% higher than the annual increase in pensionable remuneration. The pension cost charged to the Income and Expenditure Account in respect of the scheme was IR£123,469 (1996: IR£104,354).

Actuarial reports are available for inspection by scheme members but are not available for public inspection.

11 Operating leases

Payments under operating leases charged to the income and expenditure account for the year amounted to IR£33,333 (1996: IR£36,000).

The minimum operating lease payments of IR£28,000 to which the Society is committed for 1998 arise in respect of a lease for which no fixed termination period has been specified.

12 Related parties

The Society, ICOS Services Co-operative Society Limited, Golden Jubilee Trust Fund, Irish Foundation for Co-operative Development Limited and Irish Agri Food Development Limited are related parties under Financial Reporting Standard No. 8 "Related party disclosures". Costs of IR£105,000 (1996: IR£99,687) were funded by the Society on behalf of these entities. This funding is repayable to the Society.

13 Approval of financial statements

The Board approved the financial statements on 18 March 1998.

Schedule of Affiliation Fees

*Assessed and Paid for 1997
as at 31/03/98*

| Affiliation Fees assessed and paid 1996 | | | |
|---|------------------|------------------|--------------|
| | 1997 ASSESSED | 1997 PAID | 1997 % ASSMN |
| DAIRY | 844,661 | 844,521 | 100 |
| MART | 149,750 | 143,850 | 96 |
| A. I. STATIONS | 36,113 | 36,113 | 100 |
| WHOLESALE | 59,214 | 59,214 | 100 |
| FISHING | 6,865 | 6,665 | 97 |
| STORES | 3,355 | 2,830 | 84 |
| RURAL DEV. \ TOURISM | 2,535 | 2,145 | 85 |
| OTHER | 22,811 | 19,704 | 86 |
| TOTAL | 1,125,303 | 1,115,041 | 99 |

| Dairy Societies | | | |
|-------------------|----------------|----------------|---------------|
| DAIRY SOCIETIES | 1997 ASSESSED | 1997 PAID | 1997 % ASSMNT |
| AVONMORE | 65,312 | 65312 | 100 |
| BANDON | 21,552 | 21552 | 100 |
| BARRYROE | 22,505 | 22505 | 100 |
| BOHERBUE | 6,746 | 6746 | 100 |
| CALLAN | 5,711 | 5711 | 100 |
| CENTENARY | 19,176 | 19176 | 100 |
| CORCAGHAN | 3,562 | 3562 | 100 |
| DAIRYGOLD | 89,611 | 89611 | 100 |
| DOAPEY | 2,802 | 2802 | 100 |
| DRINAGH | 26,237 | 26237 | 100 |
| DROMBANE | 3,803 | 3802 | 100 |
| FEALEBRIDGE | 5,971 | 5971 | 100 |
| GLENVEAGH | 11,996 | 11996 | 100 |
| GOLDEN VALE | 67,385 | 67385 | 100 |
| IRISH DAIRY BOARD | 57,816 | 57816 | 100 |
| KERRY | 52,000 | 52000 | 100 |
| KILASNETT | 735 | 735 | 100 |
| KILTOGHERT | 14,070 | 14070 | 100 |
| LAKELAND | 38,320 | 38320 | 100 |
| LEE STRAND | 10,623 | 10624 | 100 |
| LISAVAIRD | 22,215 | 22215 | 100 |
| MAUDABAWN | 1,636 | 1500 | 92 |
| MID-WEST | 23,160 | 23160 | 100 |
| MULLINAHONE | 5,430 | 5430 | 100 |
| NEWTOWNSANDES | 6,660 | 6660 | 100 |
| N CONN.FARMERS | 43,554 | 43554 | 100 |
| NENAGH | 29,329 | 29329 | 100 |
| NEWMARKET | 13,653 | 13653 | 100 |
| NORTH CORK | 13,761 | 13761 | 100 |
| SHANNONSIDE | 9,721 | 9721 | 100 |
| T OF MONAGHAN | 27,815 | 27815 | 100 |
| THURLES | 9,325 | 9325 | 100 |
| TIPPERARY | 29,184 | 29184 | 100 |
| VIRGINIA | 5,650 | 5650 | 100 |
| WATERFORD | 72,585 | 72,585 | 100 |
| WEXFORD | 5,050 | 5050 | 100 |
| TOTAL | 844,661 | 844,521 | 100 |

| Mart Societies | | | |
|-----------------|----------------|----------------|---------------|
| MARTS SOCIETIES | 1997 ASSESSED | 1997 PAID | 1997 % ASSMNT |
| ATHENRY | 6,501 | 6501 | 100 |
| BALLINASLOE | 5,565 | 5565 | 100 |
| BALLYJAMESDUFF | 3,419 | 3419 | 100 |
| BIRR | 3,113 | 3113 | 100 |
| CASTLEREA | 3,549 | 3549 | 100 |
| CLARE | 10,786 | 10786 | 100 |
| CORK MARTS | 20,002 | 20002 | 100 |
| C-ISLAND | 8,301 | 8301 | 100 |
| DINGLE | 1,390 | 1390 | 100 |
| EAST DONEGAL | 1,817 | 1817 | 100 |
| GOLDEN VALE | 17,488 | 17488 | 100 |
| GORT | 2,496 | 1000 | 40 |
| HEADFORD | 1,564 | 1564 | 100 |
| IVERAGH | 1,059 | 1059 | 100 |
| KANTURK | 2,235 | 0 | - |
| KENMARE | 1,500 | 1500 | 100 |
| KILFENORA | 1,500 | 1500 | 100 |
| KILKENNY | 8,690 | 8690 | 100 |
| KINGDOM | 2,449 | 2249 | 92 |
| LEINSTER | 5,248 | 3300 | 63 |
| MAYO/SLIGO | 4,989 | 4989 | 100 |
| MID-KERRY | 2,812 | 2812 | 100 |
| MID-TIPPERARY | 3,419 | 3419 | 100 |
| MILFORD | 1,280 | 1280 | 100 |
| NENAGH | 4,795 | 4795 | 100 |
| ROSCOMMON | 5,205 | 5205 | 100 |
| TEMPLEMORE | 1,717 | 1700 | 99 |
| TUAM | 4,787 | 4787 | 100 |
| WATERFORD/ROSS | 2,117 | 2117 | 100 |
| WEXFORD FARMERS | 9,957 | 9957 | 100 |
| TOTAL | 149,750 | 143,850 | 96 |

Schedule of Affiliation Fees

Assessed and Paid for 1997
as at 31/03/98

| A.I. Societies | | | | Other Societies | | | |
|---|------------------|---------------|-------------------|----------------------------|------------------|---------------|-------------------|
| | 1997 ASSESSED | 1997 PAID | 1997 % ASSMNT | MISCELLANEOUS SOCIETIES | 1997 ASSESSED | 1997 PAID | 1997% ASSMNT |
| MUNSTER C.B.S. | 550 | 550 | 100 | BALLYMACHUGH | 195 | 195 | 100 |
| SOUTH WESTERN | 10,399 | 10399 | 100 | COOP TRAVEL | 4,000 | 4000 | 100 |
| NORTH EASTERN | 7,093 | 7093 | 100 | COUNTRY MARKETS | 195 | 195 | 100 |
| SOUTH EASTERN | 8,970 | 8970 | 100 | CO. CLARE AGRI. SHOW | 195 | 195 | 100 |
| NORTH WESTERN | 4,101 | 4101 | 100 | FDC | 600 | 0 | - |
| PROGRESSIVE GENETICS | 5,000 | 5000 | 100 | NCFRS | 1,000 | 1000 | 100 |
| TOTAL | 36,113 | 36,113 | 100 | IFCD | 3,000 | 3000 | 100 |
| Fishing Societies | | | | IR. DAIRY RECS. | 580 | 580 | 100 |
| | 1997 ASSESSED | 1997 PAID | 1997 % ASSMNT. | IR.FARM A/CS | 1,075 | 1075 | 100 |
| FISHING SOCIETIES | | | | IR. FARM CENTRE | 505 | 505 | 100 |
| BURTONPORT | 800 | 800 | 100 | IRISH HORSE BOARD | 1,128 | 1128 | 100 |
| CASTLETOWNBERE | 800 | 800 | 100 | IRISH VENISON COOP | 295 | 295 | 100 |
| C. MUIRINI C. TRA | 200 | 0 | - | IVERAGH TURF | 195 | 195 | 100 |
| DONEGAL | 800 | 800 | 100 | MONAGHAN LAMB | 300 | 0 | - |
| DUNMORE EAST | 615 | 615 | 100 | TASTE OF KERRY | 195 | 195 | 100 |
| FOYLE FISHERMANS | 615 | 615 | 100 | | 13,458 | 12,558 | 93 |
| GALWAY & ARAN | 800 | 800 | 100 | PEDIGREE | | | |
| GREENCASTLE | 615 | 615 | 100 | IR. CHAROLAIS CATTLE | 295 | 295 | 100 |
| HELVIC HEAD | 615 | 615 | 100 | IR. LIMOUSINE | 295 | 295 | 100 |
| KENMARE BAY AQUACULTURE | 195 | 195 | 100 | IR. SIMMENTAL | 295 | 295 | 100 |
| SOUTH AND EAST | 615 | 615 | 100 | IR CHAROLLAIS SHEEP | 195 | 195 | 100 |
| SOUTH WEXFORD LOBSTER | 195 | 195 | 100 | IR. PED. PIGS | 195 | 195 | 100 |
| TOTAL | 6,865 | 6,665 | 97 | | 1,275 | 1,275 | 100 |
| Rural Dev./ Tourism Societies | | | | RADIO | | | |
| | 1997 ASSESSED | 1997 PAID | 1997 % ASSMNT. | N. CORK COM. RADIO | 505 | 505 | 100 |
| RURAL DEVELOPMENT/ TOURISM SOCIETIES | | | | KILKENNY COMM RADIO | 505 | 505 | 100 |
| C. CONR. NA BOIRNE | 195 | 195 | 100 | | 1,010 | 1,010 | 100 |
| C. COMDHAIL NA OILEAIN | 195 | 195 | 100 | HORTICULTURE | | | |
| CARAVAN, CAMPING ETC. | 195 | 195 | 100 | CILLCROHAIN | 195 | 0 | - |
| CAV/MON.RURAL DEV. | 195 | 195 | 100 | CORK NEW POTS. | 195 | 195 | 100 |
| DUAGH HISTORICAL & HER | 195 | 195 | 100 | NORTH EASTERN PRODUCERS | 195 | 195 | 100 |
| KENAGH COMM. COOP | 195 | 195 | 100 | | 585 | 390 | 67 |
| KILRUSH DEV. | 195 | 195 | 100 | PIG SOCS. | | | |
| NAIRN, PORTNOO, ROSBEG | 195 | 195 | 100 | GLEN OF AHERLOW | 2,364 | 2364 | 100 |
| NORTH KERRY ARTS | 195 | 195 | 100 | MAINE V. | 920 | 908 | 99 |
| NORTH LETRIM GLENS | 195 | 195 | 100 | ROUGHTY V. | 809 | 809 | 100 |
| SHANNONVALE | 195 | 195 | 100 | N. C. P. P. | 2,000 | 0 | - |
| SLIEVE FEILIM | 195 | 0 | 0 | | 6093 | 4081 | 67 |
| WEST CLARE | 195 | 0 | 0 | GAELTACHTAI | | | |
| TOTAL | 2,535 | 2,145 | 85 | C.C.CHLEIRE | 195 | 195 | 100 |
| Wholesale Societies | | | | CC.L.THROUGH | 195 | 195 | 100 |
| | 1997 ASSESSED | 1997 PAID | 1997 % ASSMNT. | TOTAL | 390 | 390 | 100 |
| WHOLESALE SOCIETIES | | | | TOTAL | 22,811 | 19,704 | 86 |
| COOP ANIMAL HEALTH | 12,127 | 12127 | 100 | Store Societies | | | |
| IRISH COOP SOC. | 12,087 | 12087 | 100 | | 1997 ASSESSED | 1997 PAID | 1997 % ASSMNT. |
| I.A.W.S. | 35,000 | 35000 | 100 | WHOLESALE SOCIETIES | | | |
| TOTAL | 59,214 | 59,214 | 100 | CLONLEIGH | 525 | 0 | - |
| Store Societies | | | | INISHOWEN | 2,520 | 2520 | 100 |
| | 1997 ASSESSED | 1997 PAID | 1997 % ASSMNT. | TEMPLECRONE | 310 | 310 | 100 |
| WHOLESALE SOCIETIES | | | | TOTAL | 3,355 | 2,830 | 84 |
| CLONLEIGH | 525 | 0 | - | | | | |
| INISHOWEN | 2,520 | 2520 | 100 | | | | |
| TEMPLECRONE | 310 | 310 | 100 | | | | |
| TOTAL | 3,355 | 2,830 | 84 | | | | |

Minutes of the Annual General Meeting

The 102nd Annual General Meeting of the Irish Co-operative Organisation Society Ltd was held at the Berkeley Court Hotel, Dublin on Tuesday 13 May 1997 at 2.00 pm.

Attendance

A full list of delegates and visitors can be found at the end of these minutes.

Mr Tom McCarthy, Auditor of Craig Gardner & Company, together with Mr Maurice Barrett, the Audit Manager, were present, as were the Director General and Secretary of ICOS. Mr M O'Dwyer presided.

Commencement of the Meeting

The President called the meeting to order and welcomed all the delegates as well as the Registrar of Friendly Societies, Mr Martin Sisk and Mr Paul Harrington from that office.

Notice of Meeting

At the request of the President, the Secretary read the notice convening the meeting and also confirmed that a quorum was present.

Standing Orders Committee

On the proposal of the President, seconded by Donal Cashman, it was resolved that the Board be appointed the Standing Orders Committee.

Minutes

The minutes, having been circulated with the Annual Report, were taken as read and it was resolved on the proposition of Ms Mary Coleman, seconded by Mr Jim Maloney that they be approved and be signed by the President.

Elections to the Council

At the request of the President, the Secretary informed the meeting of the results of the elections to the ICOS Council. The following were declared elected:

| | |
|----------------------|-------------------------|
| Mr Harry Browne: | Creameries North East |
| Mr Michael O'Brien: | Creameries South |
| Mr Laurence Carroll: | Mart Societies |
| Ms Mary Coleman: | Miscellaneous Societies |

The President congratulated those who had been elected to the Council and said he looked forward to working with them in the coming year.

Annual Accounts and Auditor's Report

The Annual Accounts for the year 1996 were presented by the Financial Controller, Mr John Burke. Following his presentation, Mr Tom

McCarthy of Craig Gardner & Company presented his report and read his certificate. On the proposition of Mr Michael O'Brien, seconded by Mr Anthony Roche, the accounts were adopted.

Appointment of Auditor

It was proposed by Mr Harry Browne, seconded by Mr John Barry and resolved that Mr Tom McCarthy of Craig Gardner & Company be appointed Auditor for the year 1997.

Financial Resolution

On the proposition of Mr J Maloney, seconded by Mr D Buckley, it was resolved "that the scale of contributions to ICOS by societies involved in dairying and wholesale activities be on the following basis for the year 1998 calculated on the 1996 trading turnover.

| Turnover £ | Rate (pence per £) |
|------------|--------------------|
| 1st 10m | 0.100 |
| Next 10m | 0.075 |
| Next 10m | 0.050 |
| Balance | 0.015 |

That in the case of all other societies, the scale of contributions shall be determined by the Board after consultation with the appropriate national committees. Deciding on the scale of contributions, the Board shall be obliged to ensure that there is a reasonable relationship between the amounts paid by each class of society.

The Board shall have power to fix the contributions of special types of society. In applying the foregoing scale to societies, the Board shall have power to vary a society's contribution in special circumstances."

Adoption of the Annual Report

In proposing the adoption of the Annual Report, the President remarked that the year 1996 was in marked contrast to 1995. The dairy and beef sectors had both suffered a fall in price and in total that amounted to over £300m.

For beef farmers in particular, the President pointed out that the BSE crisis had been a particularly difficult experience.

He noted, however, that farmers were now taking more precautions than ever in order to guarantee food safety to their customers. This meant that traceability, responsibility and accountability had become core values for these farmers.

Mr O'Dwyer emphasised the importance of our closest market, that of mainland Europe. He stressed

that with the likely reduction back of export refunds, this could become the most important market for Irish beef producers. In order to make the maximum use of that market, however, it was essential to have guaranteed transport available for farmers. He stressed that the beef sector accounted for over 35% of gross agricultural output. Ireland's dependence on beef exports is by far the highest in the European Union in that 9 out of every 10 calves produced have to be exported. The reduction of export refunds imposed by the European Commission in 1996 had been a serious blow to the industry. The President pointed out that coupled with the effects of the currency re-valuation, beef and live cattle refunds were now 28% below the level that prevailed before October of 1996.

On the question of livestock marts, Mr O'Dwyer pointed out that during 1996 the turnover of most mart centres had fallen by between 10% and 15% and this was on top of decline of over 4% in 1995. Nevertheless he emphasised that with prudent management, these co-operatives had achieved a reduction in operating costs during 1996, thereby preserving the viability of the societies concerned. Mr O'Dwyer pointed out that mart centres provide an open and transparent method of selling livestock and he said that for some time now, ICOS had been making a case to have livestock mart centres included in quality assurance schemes. He informed the meeting that ICOS was in discussion with Bord Bia about livestock mart participation in their scheme.

The President also noted that in the latter part of 1996 and the early part of 1997, there had been a marked increase in the incidence of Brucellosis in the country. He said that ICOS had participated in discussions with the Department of Agriculture about this problem and it was the view of ICOS that the Minister must change the Reactor Grant Compensation Scheme without any further delay. He emphasised that ICOS believed that providing a strong incentive through the Reactor Grant Scheme is the right way to try to resolve this difficulty. Farmers, he said, also need to be made aware of the consequences of letting this disease get out of hand.

Turning to the question of food safety, the President said that at the previous Annual General Meeting, he had condemned the use of unauthorised substances in livestock productions. He stressed that his position had not changed and he believed that the message was now getting through that such practices are unacceptable to any part of the food production chain. ICOS continues to encourage and support co-operatives in taking whatever steps they can to guarantee the safety of the food which they are purchasing from producers and which they are supplying to customers.

On the subject of dairying, the President indicated that he was concerned at the exodus of farmers from

the dairy industry. He noted that in 1996 1,800 farmers had left dairying and that accounted for 5% of those involved in the industry. He noted that current policies do not encourage young people to come into agriculture and this was an issue which needed to be addressed in any review of the Common Agricultural Policy. In particular it would be helpful if the early retirement scheme was made more accessible.

On the subject of rural development, the President noted that ICOS had participated in the European Union Rural Development Conference in Cork and had played its part in the development of the "Cork Declaration". He said that he was calling on the Commission of the European Union to implement the ten point action programme which was adopted at that Conference. He stressed, however, that ICOS could not support an expanded rural development policy if it was to be financed out of the existing CAP budget. He noted that rural development goes far beyond agriculture and for this reason it should be funded out of the wider European Union budget and not out of the Common Agricultural element of that budget alone.

Mr O'Dwyer said that ICOS and its member co-operatives were committed to the wider concept of rural development. He noted that some of the member co-operatives were involved in promoting a broad range of ventures. Co-operatives, he said, had shown leadership to their rural communities by developing their core businesses and using that expertise to encourage and support further new initiatives. The President recommended to co-operatives that they continue this type of commitment to rural development.

The President also spoke to the delegates about the new agreement which had been negotiated by the Social Partners last December.

He pointed out that ICOS, as one of the Social Partners, had participated in these negotiations and had obtained a number of commitments. These included that every effort would be made to ensure that exchange rate fluctuations between EU currencies in and outside the Euro area would be minimised; that an amendment would be made to the Industrial and Provident Societies legislation to facilitate structural change in the food industry and that a timetable and goals and objectives for a new National Beef Assurance Scheme would be established. The President pointed out that programmes of this type have the potential to deliver real benefits right across the economy. He noted that the expected real growth for 1997 is well above the target of 2%. Nevertheless he expressed concern at the drift which is occurring in public expenditure. He noted that when economic growth slows down at some date in the future, this continuing growth in public expenditure will leave the Government very little scope to take steps to address the fall-out that might arise from such slow down.

Finally the President turned to the question of the Irish Foundation for Co-operative Development (IFCD). He noted that development thinking had come around more and more to the idea of encouraging people in Third World countries to use their own resources and to make their own plans for development rather than having outsiders tell them what they should do. He reported to the meeting that the new project undertaken by IFCD in Uganda was progressing very well and work was proceeding with local coffee co-operatives and also with specialised womens' co-operatives. The support for the team of local experts in Tanzania was continuing, although that project is now run entirely by local experts. The President also informed the delegates that IFCD was now undertaking some work in the Gambia on the development of rural co-operatives. In conclusion, he recorded his appreciation of the co-operatives' support, particularly from the dairy co-operatives, for the work of the Irish Foundation for Co-operative Development.

The President formally proposed the adoption of the Annual Report and this resolution was seconded by Mr Frank Reilly and carried.

Address by the Director General

In opening his address, Mr John Tyrrell spoke about the currency volatility. He said that this was expected and had certainly occurred with the Irish Pound experiencing considerable volatility in the previous six months.

Mr Tyrrell reminded the delegates that ICOS takes a positive view of Economic and Monetary Union because it will lead to lower transaction costs, lower interest rates and reduced exchange rate risks. However, he pointed out that there will be greater price transparency throughout the community and this could lead to increased competition.

Mr Tyrrell pointed out that the most critical issue in this regard will be the exchange rate at which the Irish currency is fixed against other participants in the Euro. He noted that if that rate is fixed significantly higher than the central rate, then Ireland could face a permanent handicap from a competitive point of view.

On the subject of Green Currency Revaluations, the Director General noted that since November 1996, the Irish Green Pound had been revalued by the equivalent of over 9 ppg in the case of milk. He noted that the European Union will provide compensation of 1.92 ppg to be paid in May and a possible further 1.15 ppg to be paid after 29 September. He informed delegates that ICOS had made the case to the Minister for Agriculture and the Minister for Finance for national matching exchequer funding to compensate dairy producers for the Green Rate Revaluation. ICOS welcomed the package of measures to compensate beef producers, but felt it

was quite unfair if dairy producers did not also receive compensation.

On the subject of dairy hygiene grants, the Director General noted that ICOS had made it a priority to urge the re-opening of the grant scheme in order to allow producers to upgrade their facilities. He informed delegates that ICOS had obtained a commitment in the Partnership 2000 Agreement that priority will be given to re-opening the Dairy Hygiene Grant Scheme if additional funding becomes available from other unused structural funds.

On the question of the Animal Remedies Regulations, Mr Tyrrell stated that ICOS had welcomed their introduction the previous Autumn, but was now very concerned at lobbying from certain quarters to restrict the sale of intramammary products to prescription use only. He said that it was the belief of ICOS that no change was justified because co-operatives were ideally placed to sell these products, since they were involved in milking machine testing, milk quality advisory services, milk testing prior to processing and the subsequent sale of dairy products to consumers. Co-operatives therefore have a vested interest in ensuring that all of the milk which they buy from producers is free from antibiotics.

On the question of Director and Leadership Training, Mr Tyrrell reminded the delegates that ICOS provides a range of programmes for Director and Leadership Training within co-operatives. He noted that the responsibilities of directors are increasing and he stressed that ICOS would place an increasing emphasis on this aspect of its work in the future.

Turning to the dairy market situation, Mr Tyrrell noted that market returns for 1996 were weaker, particularly for butter and skimmed milk powder. Despite the short term problems, there were, however, a number of issues which will affect the dairy industry in the longer term. Mr Tyrrell said these included the Review of the Dairy Regime, the full impact of the Uruguay Round, negotiations on a new WTO Agreement, Enlargement of the European Union, the Single Currency and the concentration and power of retailers. He said that ICOS disagrees with the calls to remove quotas as soon as possible after the year 2000. If tariff reductions turn out to be smaller than in the Uruguay Round, then the case for abolishing quotas is, in his view, significantly weakened. Furthermore, Mr Tyrrell pointed out that the amount of compensation required in the event of abolishing quotas, would be substantial and the European Union might not be in a position to fully compensate producers as a result. The Enlargement of the European Union is likely to be accompanied by a long transition period and this may ease the pressure for rapid equalisation of prices in and outside of the present European Union.

The Director General also pointed out that ICOS believes that European Union interests will best be served by minimising any tariff reductions in the future round of trade negotiations. Furthermore, the objectives of Article 39 of the Rome Treaty need to be honoured and ICOS would be pointing out that this involves the continuation of community preference, and the maintenance of stable markets in order to ensure a fair living for agricultural producers. Mr Tyrrell emphasised the desirability of change being gradual rather than sudden.

Finally turning to the future structure of the dairy industry, the Director General noted the ICOS position under a number of headings.

1. ICOS acknowledges the positive development which had occurred in the Irish Industry since the 1987 ICOS Strategy Document, and the strong position that many co-operatives were now in.
2. Co-operatives should identify where benefits can be obtained and work with others to achieve these in a sense of partnership.
3. Farmers should maintain control of milk processing through their co-operatives.
4. Structures for communication with members should be developed as the business grows.
5. Building scale in processing will provide important benefits, but co-operatives must maintain the role of providing local services to their members.
6. The Irish industry should aim to be the most efficient producer in Europe and this will require specialisation and scale.
7. The Boards of Management of co-operatives must take the initiative in achieving that aim.
8. ICOS will facilitate and assist in the structural development of the sector.

In concluding, Mr Tyrrell said that there was a growing awareness in the Co-operative Movement of what needs to be done, but he felt that there should be no delay in taking action. It was up to the leaders of the Co-operative Movement to take the necessary steps to ensure the future prosperity of their members.

Discussion

There was a lively discussion following both the speech of the President and that of the Director General and fourteen delegates made contributions. Many of the speakers referred to the reduction in income for both beef and dairy farmers. There was also some discussion on the question of what may happen if and when the quota system comes to an end. A number of speakers referred to the risk

concerning the regulations dealing with the sale of intramammery products.

During the debate there was considerable emphasis on the need to ensure that the products produced by co-operatives were of the highest quality and that account be taken of the consumer's desire to have traceability in the case of all products.

Presentation of The Plunkett Award

The President announced that the winner of the Plunkett Award for the current year was Mr Donal Creedon, a former Secretary of the Department of Agriculture and currently a Director of both Lakeland Dairies Co-operative and the IAWS.

In making the presentation, Mr O'Dwyer said that during his career in the Department of Agriculture, Mr Creedon had constantly promoted the merits of the co-operative system. He noted that he had, in the Brucellosis eradication campaign, insisted on working closely with co-operatives, both dairy and meat. When the country was eventually declared clear of Brucellosis, he acknowledged publicly that it could not have been achieved without the co-operation and assistance which the co-operatives had given to the Department of Agriculture throughout the campaign.

The President, however, said that his most significant contribution was in presiding over the merger of the Killeshandra and Lough Egish Co-operatives to form Lakeland Dairies. He noted that this was an extremely difficult time with the Goodman organisation anxious to extend their take-overs in the dairy industry. His leadership had led to that attempt being defeated and in all probability, had led to the threat from the private sector to gain control of the industry being stopped at that point. Mr O'Dwyer said, as the voice of co-operatives at that time, his vigorous opposition to the threat of the Goodman take-over was the key factor in getting the merger of Killeshandra and Lough Egish accepted by the farmers. He noted that after the merger, in his capacity as Chairman of the merged Society, he had overseen the smooth transition of the separate societies into the progressive and successful Society that Lakeland Co-operative is today.

Mr Creedon's commitment to the co-operative concept was also recognised by the IAWS when they appointed him as the first external non-executive Director of that Society. Mr O'Dwyer said that ICOS was pleased to make this presentation at a time when Mr Creedon was still active in the Co-operative Movement.

In responding to the presentation, Mr Creedon thanked the Lakeland Society who had nominated him and also the President of ICOS for his complimentary remarks.

This concluded the business of the meeting.

Delegates at the Annual General Meeting

ATHENRY MART
Michael Armstrong
W Fahy

AVONMORE CREAMERIES

Henry Corbally
Patrick Delaney
John Duggan
Edward Holland
Martin Keane
Thomas Kelly
Jules Logan
Victor Quinlan
Michael Walsh

BANDON CO-OP

John Joe Crowley
Vincent Hegarty
Denis Lucey

BARRYROE CO-OP

Peter Dinneen

BOHERBUE CO-OP

John Breen
Joe O'Connor

CENTENARY CO-OP

Mary Russell
Michael Russell
Michael Ryan

CO-OP ANIMAL HEALTH

William Hickey

CORK MARTS

Michael Coughlan

COUNCIL MEMBERS

Frank Allen
John Barry
Mary Coleman
John Donnelly
TJ Harty
Ted Hunt
John Sexton
Richard Tobin

DAIRYGOLD CO-OP

Thomas Gallahue
Cornelius Hallahan
Patrick Kelleher
Michael McCormack
William Nagle
David O'Keeffe
John Walsh

DRINAGH CO-OP

Francis Healy
Patrick O'Brien
Joe O'Sullivan

FEALEBRIDGE & HEADLEY'S BRIDGE

James Hickey
Pat Lyons

GLEN OF AHERLOW

Aodh Kennedy
Tom O'Connor
Pat Walsh

**GLENVEAGH CO-OP
LEXIE TINNEY**

Lexie Tinney

GOLDEN VALE FOODS

J Hickey
J Kennedy
Pat McKenna
Pat O'Connor
Michael Sexton
Denis Wallis

GOLDEN VALE MARTS

Michael Dunne
M Foley
Tom Galvin
Peter Honeyman
Clement McAuliffe
Timothy O'Connor

GUESTS

Coleman Creedon
Donal Creedon
Una Creedon
Paul Harrington
Geraldine Kearney
Justin Keating
Martin Sisk
Prof. Louis Smith

IAWS

Anthony Leddy
James Maloney

IFAC

Donal Cashman

IRISH DAIRY BOARD

Thomas Cleary
Michael Drea
Liam Foley
Tom O'Dwyer

KENMARE BAY CO-OP

Angela Breen

KERRY CO-OP

Denis Buckley
Michael Fitzgerald
Stephen Kelliher
Eugene McSweeney
JJ O'Brien
Diarmuid O'Connell
Pat O'Connor

KILKENNY COMMUNITY COMMUNICATIONS CO-OP

Ann Gibbons

KILKENNY MART

Laurence Cantwell
Laurence Carroll
Michael Harty

KILTOGHERT CO-OP

Martin Caulfield
Stephen Connaughton
Patrick Kelly
John Lavin
Michael Mahon
Sean O'Hanrahan

LAKELAND DAIRIES

Patrick Bannigan
John Beglan
Dessie Boylan
Dan Buckley
Tim Connolly
Eamonn Farrelly
Tim Hegarty
Padraig Young

LISAVAIRD CO-OP

Pat Dineen
John O'Donovan

MID TIPPERARY MART

Nicholas Morrissey
Michael Ryan

MIDWEST FARMERS CO-OP

Martin Cormican
Seamus Lohan
Eamonn O'Connor

NCCR CO-OP

Tom O'Callaghan

NCF

John Comer
Padraic Gibbons
Paddy Kenny
Michael Morley
Martin Waldron

NECBS

Frank O'Reilly

NENAGH CO-OP CREAMERY

G Burke
E Butler
Martin Lenane
T Storey
T Young

NENAGH MART

John Brislane
David Howard
John O'Brien
Liam Walsh

NEWMARKET CO-OP

Batt Casey
Michael Cronin
MJ Howard
Sean McAuliffe
Seamus Walsh

PROGRESSIVE GENETICS

Noel McDonnell
Brendan Scanton

SECBS

Michael Blake
Dermot Kearney
Thomas Kennedy

SOUTH WESTERN SERVICES

JP Crowley

TIPPERARY CO-OP

Patrick Fahey
Sean Murray
Michael O'Brien
Matthew Quinlan

TOWN OF MONAGHAN

Harry Browne
James Lavelle
George McMeel

WATERFORD CO-OP

Tom Donohue
John Dowley
Paul Fitzgerald
Thomas Heffernan
Christy Hill
James Kavanagh
Oliver Manley
John O'Keeffe
Anthony Roche
Brendan Whelan

WEXFORD FARMERS CO-OP

Thomas Doyle
William Doyle
Paul Fortune
John Murphy
Michael O'Neill

WEXFORD MILK PRODUCERS

Patrick Butler
Peter Byrne
Michael Shortle

**Italics denotes ICOS Council Members*

Dairy Co-operative Societies 1996

| No. Society | Members | Employees | Trading performance (£'000) | | | Balance Sheet (£'000) | | | | | |
|--------------------------|--------------|--------------|-----------------------------|---------------|-----------------------|-----------------------|----------------|----------------|---------------|----------------|---------------|
| | | | Total Sales | Net Profit | Net Profit as % Sales | Assets Employed | | Financed By | | | % Debt/Equity |
| | | | | | | Fixed | Total | Members | Banks | Other | |
| 1 AVONMORE (Excl. Mart) | \$ 13248 | 6583 | 1308432 | 30031 | 2.30% | 247448 | 516230 | 170969 | 74664 | 270597 | 43.67% |
| 2 BANDON | 687 | 50 | 28223 | 1396 | 4.95% | 14263 | 21366 | 18109 | 132 | 3125 | 0.73% |
| 3 BARRYROE | 679 | 66 | 32288 | 1554 | 4.81% | 15387 | 25668 | 19442 | 1589 | 4637 | 8.17% |
| 4 BOHERBUE | 183 | 23 | 6365 | 55 | 0.86% | 1166 | 3870 | 3265 | 0 | 605 | 0.00% |
| 5 CALLAN | 150 | 16 | 5661 | 168 | 2.97% | 209 | 2498 | 1947 | 0 | 551 | 0.00% |
| 6 CENTENARY | 1631 | 72 | 31332 | 810 | 2.59% | 4076 | 11688 | 10408 | 0 | 1280 | 0.00% |
| 7 CORCAGHAN | 250 | 37 | 3648 | 3 | 0.08% | 805 | 1476 | 1115 | 125 | 236 | 11.21% |
| 8 DAIRYGOLD (Excl. Mart) | 10840 | 2899 | 608056 | 11802 | 1.94% | 159601 | 309628 | 191877 | 38603 | 79148 | 20.12% |
| 9 DOAPEY | \$ 100 | \$ 3 | 2560 | -54 | -2.11% | 66 | 939 | 874 | 65 | 0 | 7.44% |
| 10 DRINAGH | 2749 | 170 | 53865 | 2448 | 4.54% | 21049 | 31050 | 26721 | 0 | 4329 | 0.00% |
| 11 DROMBANE | 150 | 10 | 3945 | 117 | 2.97% | 183 | 1153 | 993 | 0 | 160 | 0.00% |
| 12 FEALEBRIDGE | 300 | 7 | 5718 | 168 | 2.94% | 171 | 4496 | 3831 | 0 | 665 | 0.00% |
| 13 GLENVEAGH | 1576 | 117 | 45830 | 1775 | 3.87% | 8652 | 19360 | 11871 | 1118 | 6371 | 9.42% |
| 14 GOLDEN VALE | 4320 | 2182 | 560638 | 5341 | 0.95% | 113046 | 271839 | 101171 | 89953 | 80715 | 88.91% |
| 15 IRISH DAIRY BOARD | 70 | 2920 | 1311379 | 18274 | 1.39% | 52025 | 377317 | 111861 | 59975 | 205481 | 53.62% |
| 16 KERRY | 9,990 | 9700 | 1233253 | 44131 | 3.58% | 592031 | 882996 | 349365 | 309827 | 223804 | 88.68% |
| 17 KILLASNETT | 281 | 10 | 2608 | 46 | 1.76% | 35 | 879 | 481 | 0 | 398 | 0.00% |
| 18 KILTOGHERT | 3385 | 44 | 15325 | 316 | 2.06% | 1535 | 5542 | 3702 | 0 | 1840 | 0.00% |
| 19 LAKELAND | 4754 | 261 | 127638 | 1416 | 1.11% | 13809 | 38262 | 25494 | 12673 | 95 | 49.71% |
| 20 LEE STRAND | 400 | 45 | 11660 | 386 | 3.31% | 4963 | 8577 | 5855 | 250 | 2470 | 4.27% |
| 21 LISAVAIRD | 1098 | 89 | 29103 | 1613 | 5.54% | 13346 | 18163 | 15042 | 309 | 2812 | 2.05% |
| 22 MAUDABAWN | 221 | 6 | 3583 | 14 | 0.39% | 102 | 906 | 719 | 54 | 133 | 7.51% |
| 23 MIDWEST | 4000 | 120 | 32106 | 49 | 0.15% | 3779 | 12961 | 9328 | 0 | 3633 | 0.00% |
| 24 MULLINAHONE | 120 | 59 | 9047 | 88 | 0.97% | 1416 | 3799 | 1378 | 99 | 2322 | 7.18% |
| 25 NENAGH | 2113 | 165 | 73508 | 422 | 0.57% | 9132 | 19276 | 14080 | 0 | 5196 | 0.00% |
| 26 NEWMARKET | 720 | 57 | 20798 | 382 | 1.84% | 3619 | 8452 | 6468 | 184 | 1800 | 2.84% |
| 27 NEWTOWNSANDES | 253 | 10 | 6446 | 247 | 3.83% | 134 | 4551 | 3718 | 0 | 833 | 0.00% |
| 28 N.C.F. (Excl. Mart) | 15980 | 480 | 116609 | 1075 | 0.92% | 17359 | 40118 | 20113 | 3545 | 16460 | 17.63% |
| 29 NORTH CORK | 350 | 53 | 14461 | 82 | 0.57% | 2457 | 6289 | 4103 | 138 | 2048 | 3.36% |
| 30 SHANNONSIDE | 3 | 54 | 3985 | 11 | 0.28% | 7093 | 10069 | 3514 | 3014 | 3541 | 85.77% |
| 31 THURLES | 222 | 63 | 10404 | 112 | 1.08% | 1704 | 4769 | 3203 | 272 | 1294 | 8.49% |
| 32 TIPPERARY | 1974 | \$ 200 | 67389 | 540 | 0.80% | 6565 | 21270 | 14112 | 92 | 7066 | 0.65% |
| 33 TOWN OF MONAGHAN | 1500 | 120 | 64309 | 1033 | 1.61% | 3357 | 27760 | 22316 | 764 | 4680 | 3.42% |
| 34 VIRGINIA | 5 | 100 | 14 | 3 | 21.43% | 0 | 81 | 76 | 0 | 5 | 0.00% |
| 35 WATERFORD | \$ 5415 | \$ 3651 | 1043719 | 14829 | 1.42% | 349443 | 637744 | 87902 | 261939 | 287903 | 297.99% |
| 36 WEXFORD | 715 | 3 | 22449 | 5 | 0.02% | 632 | 3370 | 1263 | 0 | 2107 | 0.00% |
| TOTALS | 90432 | 30445 | 6916354 | 140688 | 2.03% | 1670658 | 3354412 | 1266686 | 859384 | 1228340 | 67.85% |

\$ = Estimate

N/A = Not Available

Note: % Debt/Equity Ratio Calculated as follows: Long Term and Short Term Borrowings/Total Members Funds.

This will differ in some instances from the ratio in published accounts due to different interpretations of this ratio and different representations of debt and equity in annual reports.

Mart Co-operative Societies 1996

| No Society | Members | Employees (Incl. Part-time) | Trading performance (£'000) | | | | | | Balance Sheet (£'000) | | | | | |
|--------------------------|--------------|-----------------------------------|-----------------------------|-----------------------|---------------------|---------------|-------------------------------------|-----------------------------|-----------------------|--------------|--------------|-------------|--------------|----------------------|
| | | | Livestock Sales | Comm. & Entry Fees | Deposit Interest | Net Profit | Comm. & Entry Fees as % Sales | Net Profit as % Sales | Assets Employed | | Financed By | | | Debt/ Equity % |
| | | | | | | | | | Fixed | Total | Members | Banks | Other | |
| 1 ATHENRY | 1100 | 33 | 19895 | 400 | 21 | 25 | 2.01% | 0.13% | 856 | 1075 | 490 | 270 | 315 | 55.10% |
| 2 BALLINASLOE | 850 | 36 | 18044 | 322 | 6 | 10 | 1.78% | 0.06% | 953 | 1490 | 809 | 649 | 32 | 80.22% |
| 3 BALLYJAMESDUFF | 400 | 51 | 14754 | 218 | 44 | 97 | 1.48% | 0.66% | 502 | 1455 | 1157 | 0 | 298 | 0.00% |
| 4 BIRR | 550 | 25 | 11924 | 231 | 15 | 36 | 1.94% | 0.30% | 177 | 451 | 374 | 0 | 77 | 0.00% |
| 5 CASTLEISLAND | 315 | 26 | 21271 | 509 | 28 | 20 | 2.39% | 0.09% | 719 | 2153 | 1052 | 938 | 165 | 89.16% |
| 6 CASTLEREA | 900 | 24 | 11217 | 234 | 16 | 25 | 2.09% | 0.22% | 363 | 546 | 406 | 0 | 140 | 0.00% |
| 7 CLARE | 2900 | 39 | 38766 | 689 | 101 | 137 | 1.78% | 0.35% | 2925 | 3604 | 2749 | 0 | 856 | 0.00% |
| 8 CORK MARTS | 15100 | 152 | 80249 | 2545 | Note 1 | 318 | 3.17% | 0.40% | 2814 | 6328 | 4953 | 259 | 1052 | 5.23% |
| 9 DINGLE | 323 | 14 | 2939 | 92 | 1 | -36 | 3.13% | -1.22% | 330 | 346 | 306 | 8 | 32 | 2.61% |
| 10 EAST DONEGAL | 37 | 31 | 7220 | 142 | 9 | 7 | 1.97% | 0.10% | 298 | 682 | 410 | 151 | 122 | 36.83% |
| 11 GOLDEN VALE | 5750 | 136 | 67483 | 1774 | 7 | 28 | 2.63% | 0.04% | 2487 | 4422 | 4113 | 0 | 309 | 0.00% |
| 12 GORT | 1200 | 17 | 8120 | 139 | 1 | -20 | 1.71% | -0.25% | 133 | 308 | 181 | 34 | 92 | 18.78% |
| 13 HEADFORD | 550 | 17 | 5852 | 104 | 6 | 2 | 1.78% | 0.03% | 145 | 215 | 152 | 59 | 4 | 38.82% |
| 14 IVERAGH | § 450 | 15 | § 2535 | 69 | 0 | 10 | 2.72% | 0.39% | 162 | 247 | 111 | 9 | 127 | 8.11% |
| 15 INISHOWEN (Mart Only) | 0 | 0 | 6335 | 119 | 5 | 8 | 1.88% | N/A | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 16 KANTURK | 240 | 17 | § 4300 | 124 | 7 | -43 | 2.88% | -1.00% | 360 | 377 | 313 | 53 | 11 | 16.93% |
| 17 KENMARE | 600 | 13 | 97 | 79 | 0 | -1 | 81.44% | -1.03% | 331 | 551 | 130 | 324 | 97 | 249.23% |
| 18 KILKENNY | 1112 | 47 | 33400 | 569 | 53 | 109 | 1.70% | 0.33% | 1247 | 2278 | 2112 | 0 | 166 | 0.00% |
| 19 KINGDOM | 710 | 12 | 5173 | 143 | 0 | -38 | 2.76% | -0.73% | 1161 | 1358 | 963 | 195 | 200 | 20.25% |
| 20 LEINSTER | 1026 | 29 | 8630 | 338 | 4 | 1 | 3.92% | 0.01% | 710 | 894 | 658 | 214 | 22 | 32.52% |
| 21 MALLOW (Dairygold) | 0 | 0 | 13317 | § 233 | 0 | 0 | 1.75% | N/A | 0 | 0 | 0 | 0 | 0 | 0.00% |
| 22 MAYO/SLIGO | 980 | 34 | 15554 | 307 | 108 | 48 | 1.97% | 0.31% | 672 | 2596 | 1788 | 501 | 307 | 28.02% |
| 23 MID-KERRY | 446 | 24 | 5172 | 193 | 7 | 28 | 3.73% | 0.54% | 419 | 575 | 459 | 0 | 116 | 0.00% |
| 24 MID-TIPPERARY | 820 | 27 | 14877 | 240 | 28 | 42 | 1.61% | 0.28% | 261 | 687 | 558 | 37 | 92 | 6.63% |
| 25 MILFORD | 434 | 25 | § 5300 | 101 | 29 | 19 | 1.91% | 0.36% | 119 | 522 | 495 | 0 | 27 | 0.00% |
| 26 N.C.F. (Mart Only) | 0 | 0 | 49638 | 1069 | 60 | 121 | 2.15% | 0.24% | N/A | 0 | 0 | 0 | 0 | 0.00% |
| 27 NENAGH | 687 | 23 | 15130 | 297 | 28 | 44 | 1.96% | 0.29% | 468 | 1018 | 939 | 0 | 79 | 0.00% |
| 28 ROSCOMMON | 486 | 41 | 17780 | 319 | 32 | -9 | 1.79% | -0.05% | 507 | 1128 | 1059 | 0 | 69 | 0.00% |
| 29 ROSCREA (Avonmore) | 0 | 0 | 11000 | 0 | 0 | 0 | 0.00% | N/A | N/A | 0 | 0 | 0 | 0 | 0.00% |
| 30 TEMPLEMORE | 950 | 12 | 6057 | 102 | 2 | 1 | 1.68% | 0.02% | 244 | 343 | 335 | 8 | 0 | 2.39% |
| 31 TUAM | 1300 | 25 | 15319 | 303 | 33 | 61 | 1.98% | 0.40% | 311 | 695 | 472 | 0 | 223 | 0.00% |
| 32 WATERFORD/ROSS | 1163 | 13 | 6000 | 128 | 11 | -4 | 2.13% | -0.07% | 343 | 420 | 378 | 0 | 42 | 0.00% |
| 33 WEXFORD | 4205 | 166 | 29242 | 674 | 5 | 155 | 2.30% | 0.53% | 3765 | 9772 | 2909 | 1239 | 5624 | 29.77% |
| TOTALS | 45584 | 1124 | 572590 | 12806 | 667 | 1201 | 2.24% | 0.21% | 23782 | 46536 | 30831 | 4948 | 10696 | 66.25% |

§ Estimate N/A Not Available

Note 1: Cork Marts Commission and Entry Fee Figure includes Deposit Interest and other income.

Note 2: % Debt/Equity Ratio Calculated as follows: Long Term and Short Term Borrowings/Total Members Funds.

This will differ in some instances from the ratio in published accounts due to different interpretations of this ratio and different representations of debt and equity in annual reports.

Fishing Co-operative Societies 1996

| No. Society | Members | Employees | Trading performance (£'000) | | | Balance Sheet (£'000) | | | | | |
|-------------------------|------------|------------|-----------------------------|------------|-----------------------|-----------------------|--------------|-------------|-------------|-------------|---------------|
| | | | Total Sales | Net Profit | Net Profit as % Sales | Assets Employed | | Financed By | | | % Debt/Equity |
| | | | | | | Fixed | Total | Members | Banks | Other | |
| 1 BURTONPORT | 375 | 114 | 9840 | 303 | 3.08% | 1662 | 3874 | 2011 | 721 | 1142 | 35.85% |
| 2 CASTLETOWNBRE | 59 | 130 | 14267 | -81 | -0.57% | 581 | 2312 | 981 | 1034 | 297 | 105.40% |
| 3 C.C. MUIRINI FIONNTRA | \$ 30 | 0 | N/A | N/A | 0.00% | N/A | N/A | N/A | N/A | N/A | 0.00% |
| 4 DONEGAL | 14 | 19 | 10724 | 195 | 1.82% | 329 | 2793 | 1319 | 0 | 1474 | 0.00% |
| 5 DUNMORE EAST | 32 | 15 | 2990 | 13 | 0.43% | 441 | 937 | 201 | 491 | 245 | 244.28% |
| 6 FOYLE | \$ 16 | 8 | 605 | 63 | 10.41% | 177 | 632 | 334 | 63 | 235 | 18.86% |
| 7 GALWAY & ARAN | 61 | 26 | 8073 | 40 | 0.50% | 208 | 1110 | 581 | 57 | 472 | 9.81% |
| 8 GREENCASTLE | 13 | 4 | N/A | N/A | 0.00% | N/A | N/A | N/A | N/A | N/A | 0.00% |
| 9 KILMORE QUAY | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 10 LOUGH SWILLY | 11 | 0 | 0 | 0 | 0.00% | 0 | 11 | 0 | 0 | 11 | 0.00% |
| 11 MALIN HEAD | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 12 MEITHEAL MARA | 89 | 5 | 831 | -1 | -0.12% | 88 | 125 | 63 | 38 | 24 | 60.32% |
| 13 SOUTH & EAST COAST | 119 | 3 | 929 | 16 | 1.72% | 253 | 451 | 269 | 0 | 182 | 0.00% |
| 14 SOUTH WEXFORD LOB. | 24 | 1 | 42 | 2 | 4.76% | 7 | 12 | 14 | 0 | -1 | 0.00% |
| TOTALS | 843 | 325 | 48301 | 550 | 1.14% | 3746 | 12257 | 5773 | 2404 | 4081 | 41.64% |

\$ Estimate

N/A Not Available

Wholesale Co-operative Societies 1996

| No. Society | Members | Employees | Trading performance (£'000) | | | Balance Sheet (£'000) | | | | | |
|-----------------------|------------|-------------|-----------------------------|--------------|-----------------------|-----------------------|---------------|--------------|--------------|---------------|---------------|
| | | | Total Sales | Net Profit | Net Profit as % Sales | Assets Employed | | Financed By | | | % Debt/Equity |
| | | | | | | Fixed | Total | Members | Banks | Other | |
| 1 CO-OP ANIMAL HEALTH | 2 | 66 | 14734 | 36 | 0.24% | 2392 | 11771 | 3127 | 1677 | 5908 | 53.63% |
| 2 IRISH CO-OP SOCIETY | 30 | 112 | 11333 | 533 | 4.70% | 2313 | 8122 | 4756 | 500 | 2866 | 10.51% |
| 3 I.A.W.S. | 130 | 900 | 582722 | 20062 | 3.44% | 98235 | 246397 | 71324 | 43326 | 131747 | 60.75% |
| TOTALS | 162 | 1078 | 608789 | 20631 | 3.39% | 102940 | 266290 | 79207 | 45503 | 140521 | 57.45% |

\$ Estimate

N/A Not Available

Note: % Debt/Equity Ratio Calculated as follows: Long Term and Short Term Borrowings/Total Members Funds.

This will differ in some instances from the ratio in published accounts due to different interpretations of this ratio and different representations of debt and equity in annual reports.

Other Co-operative Societies 1996

| No. Society | Members | Employees | Trading performance (£'000) | | | Balance Sheet (£'000) | | | | | |
|-------------------------------|--------------|------------|-----------------------------|-------------|-----------------------|-----------------------|--------------|--------------|-------------|--------------|---------------|
| | | | Total Sales | Net Profit | Net Profit as % Sales | Assets Employed | | Financed By | | | % Debt/Equity |
| | | | | | | Fixed | Total | Members | Banks | Other | |
| CATTLE BREEDING SOCIETIES | | | | | | | | | | | |
| 1 NECBS | 2 | 37 | 1884 | 1 | 0.05% | 64 | 638 | 384 | 0 | 254 | 0.00% |
| 2 NWCBS | 8 | 48 | 1135 | 24 | 2.11% | 653 | 1482 | 954 | 0 | 528 | 0.00% |
| 3 MUNSTER CBS | 50 | 4 | 377 | 1 | 0.27% | 51 | 383 | 83 | 0 | 300 | 0.00% |
| 4 PROGRESSIVE GENETICS | 3500 | 85 | 5059 | -66 | -1.30% | 2384 | 3804 | 1458 | 591 | 1755 | 40.53% |
| 5 SECBS | 10 | 85 | 2878 | 30 | 1.04% | 1606 | 3176 | 2708 | 143 | 325 | 5.28% |
| 6 SOUTH WESTERN SERVICES | 5 | 220 | 4504 | 194 | 4.31% | 2381 | 4359 | 3110 | 346 | 903 | 11.13% |
| STORE SOCIETIES | | | | | | | | | | | |
| 7 CLONLEIGH | 650 | 21 | 4615 | 44 | 0.95% | 385 | 1816 | 1110 | 0 | 706 | 0.00% |
| 8 INISHOWEN (Excl. Mart) | 1900 | 46 | 4937 | 55 | 1.11% | 760 | 2187 | 1521 | 0 | 666 | 0.00% |
| 9 TEMPLECRONE | 1412 | 99 | 7958 | 34 | 0.43% | 431 | 1804 | 139 | 17 | 1648 | 12.23% |
| PIG SOCIETIES | | | | | | | | | | | |
| 10 GLEN OF AHERLOW | 180 | 12 | 4375 | 347 | 7.93% | 596 | 4195 | 3836 | 0 | 359 | 0.00% |
| 11 MAINE VALLEY | 350 | 5 | 2299 | 55 | 2.39% | 202 | 531 | 254 | 116 | 161 | 45.67% |
| 12 ROUGHTY VALLEY | 10 | 8 | 1812 | 103 | 5.68% | 231 | 839 | 538 | 37 | 264 | 6.88% |
| 13 NCCP | 6 | 0 | N/A | N/A | 0.00% | 0 | N/A | N/A | N/A | N/A | 0.00% |
| SPECIALIST BREEDING SOCIETIES | | | | | | | | | | | |
| 14 IRISH CHAROLAIS CATTLE | 2100 | 7 | 536 | 118 | 22.01% | 51 | 685 | 626 | 0 | 59 | 0.00% |
| 15 IRISH LIMOUSINE | 1200 | 3 | 178 | 20 | 11.24% | 14 | 152 | 139 | 0 | 13 | 0.00% |
| 16 IRISH PEDIGREE PIGS | 8 | 1 | 15 | 4 | 26.67% | 0 | 8 | 4 | 0 | 4 | 0.00% |
| 17 IRISH SIMMENTAL | 800 | 2 | 195 | -55 | -28.21% | 2 | 308 | 262 | 30 | 16 | 11.45% |
| GAELTACHT SOCIETIES | | | | | | | | | | | |
| 18 C.C. CHLEIRE | \$ 646 | 15 | 238 | 17 | 7.14% | 143 | 211 | 136 | 33 | 42 | 24.26% |
| 20 C.C. LEITH THROUGH | 267 | 2 | 14 | 2 | 14.29% | 17 | 24 | 13 | 0 | 11 | 0.00% |
| RADIO SOCIETIES | | | | | | | | | | | |
| 21 KILKENNY COM. RADIO | 2500 | 25 | 422 | 14 | 3.32% | 119 | 283 | 168 | 33 | 82 | 19.64% |
| 22 NORTH CORK COM. RADIO | \$ 1663 | 3 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| MISCELLANEOUS SOCIETIES | | | | | | | | | | | |
| 23 A TASTE OF KERRY | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 24 BALLYMACHUGH | 285 | 1 | 28 | 2 | 7.14% | 226 | 247 | 246 | 0 | 1 | 0.00% |
| 25 CO-OP TRAVEL | 6 | 10 | 3084 | 43 | 1.39% | 8 | 652 | 157 | 0 | 495 | 0.00% |
| 26 CORK NEW POTATOES | 18 | 0 | 169 | 0 | 0.00% | 0 | 33 | 17 | 15 | 2 | 88.24% |
| 27 COUNTRY MARKETS | \$ 12999 | 2 | 89 | 1 | 1.12% | 14 | 159 | 124 | 21 | 14 | 16.94% |
| 28 CO. CLARE AGRI. SHO | 143 | 3 | 73 | -7 | -9.59% | 113 | 157 | 110 | 39 | 8 | 35.45% |
| 29 FARM DEV. CO-OP | 10 | 0 | 45 | 2 | 4.44% | 397 | 421 | 343 | 19 | 59 | 5.54% |
| 30 IFAC | 12786 | 127 | 4433 | 260 | 5.87% | 597 | 4391 | 2668 | 361 | 1362 | 13.53% |
| 31 IRISH DAIRY RECORDS | 28 | 3 | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 32 IRISH FARM CENTER | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 32 IRISH HORSE BOARD | 6562 | N/A | 766 | 38 | 4.96% | 37 | 326 | 87 | 0 | 239 | 0.00% |
| 33 IRISH VENISON CO-OP | N/A | N/A | 245 | -32 | -13.06% | 219 | 260 | -74 | 321 | 13 | -433.78% |
| 34 IVERAGH TURF CUTTING | 347 | 0 | 117 | 15 | 12.82% | 174 | 280 | 241 | 1 | 38 | 0.41% |
| 35 NAT. CO-OP FARM RELIEF | 27 | 5 | 230 | 33 | 14.35% | 136 | 488 | 268 | 22 | 198 | 8.21% |
| TOTALS | 50478 | 879 | 52710 | 1297 | 2.46% | 12011 | 34299 | 21630 | 2145 | 10525 | 9.92% |

S Estimate

N/A Not Available

Tourism/Rural Development Co-operative Societies 1996

| No. Society | Members | Employees | Trading performance (£'000) | | | Balance Sheet (£'000) | | | | | |
|------------------------|------------|-----------|-----------------------------|------------|-----------------------|-----------------------|-------------|-------------|------------|------------|----------------|
| | | | Total Sales | Net Profit | Net Profit as % Sales | Assets Employed | | Financed By | | | % Debt/Equity |
| | | | | | | Fixed | Total | Members | Banks | Other | |
| 1 CAVAN/MONAGHAN | 21 | 9 | 175 | -1 | -0.57% | 15 | 145 | 38 | 0 | 107 | 0.00% |
| 2 CC COMHDHAIL | 26 | 4 | 183 | 11 | 6.01% | 3 | 77 | 1 | 0 | 76 | 0.00% |
| 3 C.C. NA BOIRNE | 300 | 21 | N/A | -7 | N/A | 181 | 198 | 172 | 1 | 25 | 0.58% |
| 4 KEENAGH COMMUNITY | 8 | 3 | 8 | 2 | 25.00% | 27 | 36 | 32 | 0 | 4 | 0.00% |
| 5 KILRUSH DEVELOPMENT | 10 | 14 | N/A | -67 | N/A | 962 | 1430 | 325 | 732 | 373 | 225.23% |
| 6 NARIN PORTNOO ROSBEG | 219 | 0 | N/A | N/A | 0.00% | 0 | 35 | 35 | 0 | 0 | 0.00% |
| 7 NORTH LEITRIM GLENS | N/A | N/A | N/A | N/A | 0.00% | N/A | N/A | N/A | N/A | N/A | N/A |
| 8 SLIEVE FEILIM | N/A | N/A | N/A | N/A | 0.00% | N/A | N/A | N/A | N/A | N/A | N/A |
| 11 WEST CLARE DEV. | N/A | N/A | N/A | N/A | 0.00% | N/A | N/A | N/A | N/A | N/A | N/A |
| TOTALS | 584 | 51 | 366 | -62 | -16.94% | 1188 | 1921 | 603 | 733 | 585 | 121.56% |

§ Estimate

N/A Not Available

Summary of Statistics 1996

| | TOTAL | DAIRIES | MARTS | WHOLESALE | FISHING | TOURISM RURAL DEV. | OTHERS |
|------------------------------------|-----------|-----------|---------|-----------|---------|-----------------------|--------|
| MEMBERS | 188,083 | 90,432 | 45,584 | 162 | 843 | 584 | 50,478 |
| EMPLOYEES | 33,902 | 30,445 | 1,124 | 1,078 | 325 | 51 | 879 |
| TRADING PERFORMANCE (£'000) | | | | | | | |
| TOTAL SALES | 8,199,110 | 6,916,354 | 572,590 | 608,789 | 48,301 | 366 | 52,710 |
| NET INCOME | 164,305 | 140,688 | 1,201 | 20,631 | 550 | -62 | 1,297 |
| NET INCOME AS % OF SALES | 2.00% | 2.03% | 0.21% | 3.39% | 1.14% | -16.94% | 2.46% |
| BALANCE SHEET (£'000) | | | | | | | |
| FIXED ASSETS | 1,814,325 | 1,670,658 | 23,782 | 102,940 | 3,746 | 1,188 | 12,011 |
| TOTAL ASSETS | 3,715,715 | 3,354,412 | 46,536 | 266,290 | 12,257 | 1,921 | 34,299 |
| MEMBERS FUNDS | 1,404,730 | 1,266,686 | 30,831 | 79,207 | 5,773 | 603 | 21,630 |
| BANK BORROWINGS | 915,117 | 859,384 | 4,948 | 45,503 | 2,404 | 733 | 2,145 |
| OTHER | 1,394,748 | 1,228,340 | 10,696 | 140,521 | 4,081 | 585 | 10,525 |
| % DEBT/EQUITY | 65.15% | 67.85% | 16.05% | 57.45% | 41.64% | 121.56% | 9.92% |

Note: % Debt/Equity Ratio Calculated as follows: Long Term and Short Term Borrowings/Total Members Funds.

This will differ in some instances from the ratio in published accounts due to different interpretations of this ratio and different representations of debt and equity in annual reports.



IRISH CO-OPERATIVE ORGANISATION SOCIETY LTD.

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