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As we commence the post quota era, many dairy farmers are making their own business plans around expanding their businesses. For some, part of this planning will involve consideration of their relationship with their co-operative. Farmers, as part of their planning process will want to know that their co-operative has a strategy in place to efficiently process and market their milk. Co-operative boards by their actions in the past have shown a considerable willingness to collaborate with fellow co-operatives when it was in the interests of their suppliers to do so. ICOS has always been at the forefront in arguing for a strong consolidated dairy sector, with profitable farmer controlled co-operatives delivering sustainable incomes to members.



Martin Keane, ICOS President

ICOS fully recognises that a milk supplier has the right to choose who he delivers his milk to, subject to that milk supplier abiding with the rules and to the terms of any milk supply agreement he has with an existing milk processor. While fully recognising and supporting such a right, ICOS would urge individual farmers to give very serious consideration to the integrity of the co-operative and to the wellbeing of their fellow members.

Producers have freedom of choice, however, it is in nobody's interests for a 'free for all' milk fight, destructive of the overall economic value of the industry, to occur. Individual farmers should work within the democratic structures that exist in their co-operatives and make their views known regarding the co-operatives strategy and direction. Individual milk suppliers must recognise that an exclusive focus on short term milk price performance without due regard for a co-operatives longer term strategies will result in a growing loss of supplier ownership and control in the marketplace.

As we emerge into the post quota era, various industry players are now developing and implementing strategies that will help them compete in a global market. One leadership challenge for all co-operative boards is to determine whether their strategic approach should be on a 'go it alone' basis or involve greater integration with some of their fellow processing and marketing co-operatives.

The past decade has seen a very significant increase in the level of collaboration between dairy processing co-operatives, particularly in the areas of milk assembly and co-processing. ICOS is on record as supporting further co-operative consolidation and rationalisation between existing dairy co-operatives. ICOS has a record of facilitating such decisions, when made on the recommendation of individual co-operative boards and when subject to the collective approval of shareholders in general meeting. Decisions made by individual suppliers or small groups of individual suppliers are less appealing as they are more likely to lead to fragmentation and a process of attrition. History shows that such actions tend to weaken co-operative balance sheets and co-operative solidarity to the detriment of all supplier shareholders.

Turning to the beef and livestock sectors, 2014 was a very challenging year for beef and livestock farmers. There were significant price drops. Market specifications were applied which in some instances had the effect of making hitherto perfectly saleable categories of beef virtually unsaleable. Farmers with factory finished animals suffered very serious income losses. There was a strong belief that the extent of income loss was not just a function of normal market forces. Serious questions marks were raised by the ICOS Mart Committee as to the legitimacy of certain residency, movement, age and weight specifications being imposed by the factories. Factory and supermarket protests followed. This led to the establishment by the Minister of a Beef Forum with the objective of bringing a much greater degree of transparency to market transactions than was currently the case.

The experience of beef and livestock farmers in 2014 should be a salutary reminder of the importance of competition. As things stand, the only effective form of competition to the privately owned meat factories is the co-operative livestock marts and their potential to export live cattle. Some marts are currently facing significant structural and operational challenges. In some parts of the country, too many stand-alone mart sales centres are hindering competition. Operationally, there is an increasing number of regulatory standards, from the management of the client accounts to welfare and health and safety standards. These standards are posing a significant challenge to some marts.



Seamus O'Donohoe, CEO, ICOS; Bertie O'Leary, ICOS President; Liam Williams, Clare Marts Chairman; Padraig Gibbons, Aurivo Co-operative Society Ltd Chairman and Martin Keane, ICOS Vice-Chairman at the ICOS AGM in Portlaoise

The focus of the ICOS Rural Business Committee is on start-up co-operative activity in emerging sectors of the rural economy. For ICOS to be sustainable in the longer term it is vital that we identify new commercial opportunities in the rural space for co-operatives. Much good work is being done by the Rural Business Committee in researching and assisting the development of viable co-operative business models in sectors such as forestry, bioenergy, artisan foods and in co-operative community development.

In conclusion, on behalf of the co-operative movement as a whole, I would like to acknowledge the leadership and resolve of my predecessor as President, Mr Bertie O'Leary, whose calm leadership steered ICOS through a very challenging and difficult period in its recent history.

Martin Keane
President

ICOS Financial Performance

2014 was a year of continued restructuring for ICOS in operational and financial terms. The first two full years of the cost saving measures introduced in March 2012 and a modest but ongoing improvement in our income situation have both reflected very positively on ICOS's trading performance in 2014.



Seamus O'Donohoe, CEO

The key performance measure in the 2014 accounts is the restoration of solvency to the ICOS balance sheet and the removal of previous requirements for underwriting guarantees from the Golden Jubilee Trust. While a significant portion of the cost savings achieved in the last two years were one-off and the level of overall profitability established in 2013 and 2014 will not be sustained, the aim of the Board and staff for 2015 and beyond will be to ensure the generation of a modest profit through continued tight cost control with expenditure aligned with our budget.

Agri-Food Strategy 2025

The ambitious targets set for Food Harvest 2020 are about to be superseded by a new food sector plan for 2025. Food Harvest 2020 has benefitted from the general upturn of the global agri food industry. Dairying is on course to deliver on the 50% increase in volume. In the beef sector, a growth in output of 37% has been achieved. In the 2025 plan, targets need to become more nuanced, transparent, more frequently measured and should include farm profitability, market growth, R&D and market output. The 2025 plan must contain actions that ensure a fair return for producers in each sector. The plan must aim to assure consumers that the Irish food regulatory system is strong.

It should endeavour to make family farm ownership, grass based feeding systems and farmer participation upstream and downstream through their co-operatives as unique selling points of the Irish food production system.

RFS - Legislation change

The Friendly Societies and Industrial and Provident Societies (Miscellaneous Provisions) Act 2014 was enacted on the 21st July 2014. Changes to Industrial and Provident Society law will: introduce examinership process to Industrial and Provident Societies; allow individual societies to set their own limit on individual shareholdings in the society; ease financial reporting restrictions by extending the period for the preparation and submission of the annual return and accounts; make it easier for cancelled societies to be restored to the register; ease fund-raising restrictions for non-agricultural societies and the submission of Triennial returns will no longer be required. At the time of writing, all sections of the Act have commenced except for the examinership provisions.

Dairy Market Uncertainty

The milk needed to fulfil our Food Harvest 2020 targets, will have to be produced against a backdrop of enormous market volatility, with EU support levels which can only be activated at milk price levels below 20c per litre, significantly below the cost of production. Price volatility poses a significant threat, particularly to dairy farmers' ability to sustainably increase production levels. Given the continued market uncertainty, ICOS will continue to lobby for the triggering of the process, which provides for a revising of the Intervention support level, based on objective cost criteria. It is clear that the necessary floor for support should be increased from 20c per litre to the pre-2004 level of 26c per litre.

Rationalisation

In the dairy sector there are challenges around consolidation and rationalisation both in terms of the pace and nature of consolidation and rationalisation. There are potential efficiencies around operations, marketing and innovation that need to be realised. There is a need to ensure that



Food Harvest 2020 has benefitted from the general upturn of the global agri food industry



Dairying is on course to deliver on the **50%** increase in volume



In the beef sector a growth in output of **37%** has been achieved

the industry collectively is earning and retaining sufficient reserves to permit an increased R&D spend and an increased focus on innovation. ICOS will continue to promote rationalisation and consolidation across the sector. The concerns of producers that they are not getting their fair share can best be addressed by producers focussing on better organising their involvement outside the farm gate and growing their business to a scale that can match that of their competitors.

The Role of Marts

Extra beef coming on to the market at a time when consumption of beef was falling resulted in very poor market returns for beef farmers in 2014 and charges that the meat factories were using market circumstances to unfairly squeeze producers. The live export trade has an important role in providing an alternative to the meat processors. Live exports of cattle ranging from calves, weanlings, stores and finished cattle make up a small but highly important proportion of our beef industry. While our co-operative marts offer an invaluable service in providing an alternative outlet for livestock they are facing an increasing number of challenges in the marketplace. An increasingly stringent regulatory environment in terms of cash flow management, health and safety, welfare and environmental issues when combined with changing marketing patterns for live animals, requires new thinking on the part of co-operative boards in regard to the future structure, organisation and operation of our co-operative livestock marts. In the absence of a co-operative presence in the meat processing sector, it is vital that our livestock marts continue to provide a robust and competitive alternative to the meat factories.

Health & Safety

During the course of the year, ICOS collaborated with FBD in communicating the safety message to our farmer members. The ICOS Board also expressed concern that the boards/directors of some societies may not be fully aware of their responsibilities for health and safety or aware of the potential legal consequences for directors and managers if they or their society are found to have failed to discharge those responsibilities. Under the Safety, Health and Welfare at Work Act 2005 (the 2005 Act), all undertakings have statutory duties to ensure, as far as is reasonably practicable, the safety health and welfare of their employees and of any third parties who may be affected by the manner in which undertakings manage and conduct their activities. The 2005 Act also places responsibility for safety and health on the directors and managers of an undertaking, who can also be held to be responsible for the acts and omissions of the undertaking in the management of its activities. As boards are responsible for good corporate governance, including the adoption of health and safety policies and monitoring their satisfactory implementation, the view of the board of ICOS is that directors and managers of all our affiliate co-operative societies should familiarise themselves with their responsibilities in this regard.

Bioenergy

During the year the ICOS Rural Business Committee were actively involved in assisting the organisation of co-operative marketing of forest timber and in investigating the potential of using timber thinning and materials such as miscanthus and willow in the production of bioenergy. The quantity of existing biomass resources in Ireland is limited. There is a significant shortfall in the amount of biomass needed to meet Government 2020 targets for bioenergy. Until there is a willingness of the part of government to offer competitive feed-in tariff rates for bioenergy production, for a guaranteed period, there will not be a viable future for farmers or for co-operatives in non-food crop production. Given a favourable environment for development, the ICOS Rural Business Committee is willing to commit resources to organising bioenergy co-operatives and thereby make a substantial contribution towards meeting Government targets and policies in the bioenergy and non-food crop sector.

Seamus O'Donohoe
CEO

MAJOR DEVELOPMENTS FOR ICOS CO-OPERATIVES IN 2014

Russian Blockade of Imports



In August, Russia announced a blockade of imports of EU dairy products in retaliation to Western sanctions as a result of their involvement in unrest in Ukraine. This amounted to great losses to the wider EU dairy sector including reductions of 257,000 tonnes of cheese (33% of total EU cheese exports), 37,000 tonnes of butter (28% of total EU butter exports), 1.5% of total EU milk production in milk equivalent, and 9% of EU milk production which is exported. The EU supplied 44% of the dairy products imports by Russia in 2012-2013.

Rural Development and Forestry Programmes



The Rural Development Programme and Forestry Programme were published in 2014 outlining supports and funding available to developing and growing sustainable rural business in Ireland. The co-operative model has long been promoted by ICOS as a way of ensuring rural business is sustainable and owner controlled. ICOS is looking forward to working with new, start-up rural co-operatives which are benefiting from these programmes.

On-going Negotiations for TTIP



Transatlantic Trade and Investment Partnership (TTIP) negotiations between the EU and the US continued in 2014. Negotiations continue to be focused on issues such as market access, regulatory coherence and technical barriers to trade. ICOS is leveraging our position as an official stakeholder in the process to make direct interventions to negotiators both on the EU and the US sides regarding both opportunities and challenges for our dairy co-operative businesses in the formulation of this deal.

ICOS's key demands from a dairy perspective would be the opening up of the US dairy market to our high grade exports along our dairy supply chain, from commodities to our functional food ranges. We are adamant that a deal should not to just allow dairy exports to be tied up in speciality, GI focused cheeses from south Europe.

Beef Round Table Founded



A Beef Round Table was established in 2014 by Minister Simon Coveney T.D. to take stock of the collapse in beef prices and other concerning developments in the beef sector and to map out key next steps to ensure that the sector delivers viable returns for all participants. ICOS actively participated in this new forum to ensure the issues members of livestock marts were facing were being raised and to find practical solutions to those problems.

ICOS Dairy Committee 2014 Report

The ICOS Dairy Committee is the main forum whereby ICOS can develop policy in relation to the dairy industry, nationally and internationally. It consists of 9 representatives of processing co-operatives, 5 representatives of non-processing co-operatives and one representative of the Irish Dairy Board (Ornua). Of those 15 people, 10 are also members of the ICOS Board.



TJ Flanagan, Dairy Policy Executive

The Committee met 8 times in 2014 and worked to devise and implement policy in the following areas:

Quota Elimination

The Committee worked closely with the ICOS Executive to lobby for practical measures to minimise the predictable superlevy imposition with respect to the final year of quotas. ICOS worked closely with like-minded organisations across the EU to develop a united position in support of a genuine soft landing for quotas. Unfortunately, the majority of EU member states maintained a position in opposition to an easing of super-levies. They also opposed the technical amendment of removing the butterfat adjustment to milk supplies, thereby denying us the opportunity to significantly reduce our super-levy bill. The February 2015 announcement by the Commission of a proposal to collect the 2015 superlevy in instalments, while it must be welcomed as an ease to farmer cash flow, presents administrative difficulties and doesn't lessen the ultimate bill to be paid.

Land Mobility

Members identified the traditionally low levels of land mobility as a key impediment to the successful development of the dairy sector. The Committee worked to develop an ICOS position for submission to the Department of Finance and the Revenue Commissioners as part of the review on Agri-taxation. As part of that submission, the Committee identified the benefit of increasing the level of tax free income which a landowner could derive should they enter into longer term lease agreements with commercial farmers. The Committee were of the view that a 15 year lease would be necessary in many cases, where investments had to be made on-farm and that leases of at least this duration should be incentivised. Following the budget and the implementation of the aforementioned land leasing and other provisions, the Committee felt it was necessary to familiarise co-operative advisor and farm interface staff with the full range of measures available to retiring farmers of landowners, to encourage them to make their land available to commercial producers. ICOS then organised two seminars for co-operative staff, featuring speakers from the Department of Agriculture, Teagasc, IFAC and FDC Accountants, to make co-operative executives more aware of land mobility options available, particularly to dairy farmers who may be considering retirement.

Producer Organisations in Dairy

The 2012 EU Milk Package provided for the establishment of Producer Organisations in the dairy sector. While the measure was aimed at protecting the interests of milk suppliers in countries where co-operatives are not established, none-the-less it could affect Ireland also. The Committee worked to develop a position in relation to the milk supply chain in Ireland. The position, submitted to the Department of Agriculture, was aimed at protecting the integrity of the existing co-operative structures and their members.

Large Scale Dairy Units

The Committee has been working, with input from Teagasc, Bord Bia and the Irish Dairy Board, to develop a position in relation to the possible development of dramatically larger, confinement-type dairy production units in Ireland. Issues such as economic competitiveness, animal welfare, milk quality, seasonality and social structures are all being considered as part of this ongoing process, as well as any impact on Ireland's market position as a producer of milk from grazed grass.

Farm Safety

The Committee has been extremely keen to ensure that safety for the farmer, the farm family and members of the public, is not compromised, particularly as farmers push to expand their operations. Members felt strongly that the expansion phase, post milk quota, is likely to see a dramatic testing of human resources and facilities, and that the additional stress could lead to increased levels on farm accidents. Accordingly, the Committee has strongly supported an ICOS co-operative initiative, in collaboration with FBD Trust, to communicate the safety message to the 18,000 dairy farmers.

Teagasc

The Committee also worked with Teagasc to deliver a series of Dairy Expansion Seminars across 2014 and 2015. In 2014, the Committee contributed to three seminars, in March the first was held in the Horse & Jockey and was entitled "Benchmarking Expansion on Dairy Farms". In June, the second seminar was held in Mullingar and was entitled "Financial Planning for Expansion" and finally, in October the third seminar held in Citywest was entitled "Labour Management for Expansion". A further four seminars are planned, or have already taken place in 2015.

Milk Quota - National Position

Final year-end figures for 2014 on the milk quota situation indicate that the Irish over quota position will be 4.3% over quota. The superlevy fine is expected to be €69m as estimated by the Department of Agriculture, the highest ever super levy charge during the history of the milk quota regime.

Reflections on the Milk Quota Regime

As the dairy industry is gearing up for the post quota regime, we recall that the regulations were introduced originally for 5 years but the continuation of those regulations resulted in a whole generation of dairy farmers controlled by limitations on milk production.

However, we must recall that at the time of its introduction in 1984, there were exceptionally high levels of intervention stocks.

Year	SMP tonnes	Butter tonnes
1983	900,000	600,000
1984	500,000	800,000
1985	400,000	850,000
1986	600,000	1,100,000
1987	400,000	800,000

On the introduction of milk quotas there were 68,000 active dairy farmers. The vastly changed profile of dairy farmers over the period of quotas is outlined as follows:

Year	< 180,000 litres (40,000 gallons)	Total
1984	96%	68,000
1996	80%	36,750
2013	26%	17,985

We have to recognise that the dairy industry embraced the regulations and the main national objectives ensured that the severity of the regime was spread throughout the dairy sector. The main national quota objectives would be as follows:

1. To ensure that the national quota was fully utilised on an annual basis
2. To maximise milk production in Ireland
3. From a socio-economic point of view to ensure that smaller scale producers were given priority access to quota through the various quota mechanisms
4. Minimise the levy

Equally important is that over that time period, dairy farmers invested in expanding their own volume with 2238.3 million litres traded through the restructuring and trading schemes to the value of €688m. In addition, leases were bought out and quota was also purchased with land. On the downside, dairy farmers also paid a superlevy bill of €218.5m in 17 of the 30 years of the regime.

We ask ourselves did the schemes work?

We have to admit that all the schemes generally worked very well and achieved the objectives set out. In an effort to get more quota into the active producer's hands, the structures evolved during the quota regime through the following measures:

1. Land leases were abolished
2. 100% long term temporary leasing abolished
3. Criteria of the schemes were simplified over time
4. A Milk Quota Trading scheme was brought in for the market in each co-operative area to decide the price paid for quota
5. "Soft Landing" measures were also introduced including;
 - 2% quota increase, April 2008
 - Halving of the butter fat adjustment
 - 1% quota increases, 2009 – 2013 (5 years)

Milk Quality



The Irish Milk Quality Co-operative Society (IMQCS) continues its work in regard to milk quality programmes. Dairy co-operatives are again requested to utilise the IMQCS website to recommend milking machine technicians approved in their particular area.

Technicians registered with the IMQCS are approved for the Bord Bia Quality Assurance Scheme and for Dairy Hygiene Grant Schemes administered by the Department of Agriculture.

Training

In 2014, 12 trainees undertook the training course for new trainees and 179 technicians attended their obligatory two year refresher course.

In addition to the National Cell Check Programme and the Bord Bia Quality Assurance Scheme, Teagasc have ongoing quality programmes specific to the industry. They range from impact of storage conditions on milk quality, a new test for thermotolerant bacteria, mineral content, and methods of detection of *Clostridium* and sulphite reducing *Clostridia* (SRC).



Minister for Agriculture, Food and the Marine, Simon Coveney T.D. at the launch of ICOS Skillnet 'Foot in the Door' initiative

Rural Development Programme 2014 - 2020

It now appears that the long awaited grant scheme referred to as TAMS II (Targeted Agricultural Modernisation Scheme) will not be officially announced until July 2015. The following are the main criteria and information available to date on what the focus of this measure will be:

Priority Schemes

The following TAMS II Schemes will be introduced as an initial strand following the receipt of EU Commission approval for the Programme:

1. Young Farmer Capital Investment Scheme
2. Dairy Equipment Scheme
3. Low emission spreading equipment Scheme (LESS)
4. Organic Capital Investment Scheme

These remaining schemes will follow on:

5. Pig and Poultry Investment Scheme
6. Animal Welfare Safety and Nutrient Storage Scheme

General Principles

- Available budget of €395 million over lifetime of Programme
- Compulsory submission of applications by on-line system in certain cases; registered agents will be permitted to apply on an applicant's behalf
- Imposition of super-ceiling of €80,000 per holding (with the exception of the Low Emission Slurry Spreading Scheme)



Ray Doyle, Livestock & Environmental Services Executive

2014 will be remembered by everyone in the livestock business as the most challenging year in memory regarding beef prices and getting cattle slaughtered. Grass growth and animal thrive resulted in animals being fit for slaughter way ahead of other years. The national kill in our meat plants for beef and sheep meat was ahead almost every week of 2014.

Cattle

Finished cattle supplies in Ireland during 2014 were 12.5%, or 125,000 head higher than 2013. All categories of cattle experienced an increase in numbers. The number of cattle presented at meat plants increased sharply with the number of steers almost 19% higher, heifers up by 16% and young bulls by 10%. This resulted in many farmers, especially those with young bulls, simply couldn't get their animals slaughtered when they were fit. This had a serious knock-on effect in the marts. Through 2014, trade was very difficult for all age categories but especially for store animals as farmer's confidence in the beef trade took a serious knock.

On the demand side, there was a much weaker market for beef products, combined with a recovery in beef supplies across Europe. In every major beef producing country, cattle prices deteriorated relative to 2013 levels. While the UK remains the highest priced beef market in the EU, cattle prices there lagged by over 5% compared to 2013. Continental European cattle prices also declined steadily during 2014, resulting in Irish prices declining by almost 15%.

During 2014, ICOS mart throughput were steady compared to 2013 and nationally the number of cattle traded in the marts was up marginally by 0.5% to over 1.73 million animals. The regional breakdown however illustrated a

large variation on this average figure. Western and northern regions did not experience the increase in numbers as compared to the southern and eastern counties.

Live shipping of weanling and calves were up significantly during 2014. Overall exports for 2014 exceeded 237,000 animals, which was over 13% higher than 2013. In 2012, we only exported 160,000 cattle. This resulted in an increase in finished cattle in 2014 with a consequent weakening in price. Thus the strong growth in live shipping was positive as it underpinned prices. There were two principal drivers of the stronger live export trade; domestic calf prices became a lot more competitive for the veal calf trade in Holland and Belgium and the resumption of live exports to the third countries of Libya, Morocco and Tunisia.

Exports to Northern Ireland of store animals continue to be effected by the Northern Irish meat plants penalising Irish born animals. This effective ban by meat plants in Northern Ireland on killing cattle from the Republic in Northern meat plants is anti-competitive and in contravention of free trade principles within the EU and one which the Mart Committee has voiced at all the Beef Roundtable meetings.

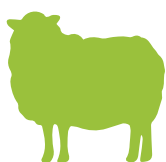
Beef Roundtable

The Beef Roundtable Forum, which was initiated by Minister Coveney in September 2014 in reaction to the collapse of beef prices, continues through 2015.

At the various meetings of this Forum, the ICOS Mart Committee continued to emphasise to the Minister the urgency of finding practical solutions to unjustified obstructions being imposed on the traditional trade between Northern Ireland customers and livestock marts in the Republic of Ireland. There is an effective ban by Irish owned meat plants in Northern Ireland on killing live cattle from the Republic of Ireland. Irish (ROI) controlled meat factories in Northern Ireland either will not slaughter an animal, or they will impose a £150 fine per animal, if any farmer presents an animal for slaughter that was born in the Republic of Ireland. The Mart Committee also met directly with the Minister for Agriculture in Northern Ireland, Michelle O'Neill on this issue.

The issue of the non-payment of the QPS bonus on cattle that have been traded more than 4 times or sold through a mart in the last 70 days has and continues to be the Mart Committees focus within the Beef Forum. The meat industry has continually stated these restrictions are customer led but the Committee sought and received confirmation from Tesco, that their final farm residency

requirement for cattle prior to going to slaughter in meat factories is 20 days of continuous residency on the last quality assured farm prior to slaughter. McDonalds also confirmed they have no final residency or number of farms requirement in place for their purchasing criteria. The Mart Committee is still awaiting a response from Meat Industry Ireland on why they insist on measures that are not requested by their customers.



Live sheep exports decreased by **32%** on 2013



Prices achieved rose between **11%** and **23%** to an average of almost €5 per kilo compared to €4 per kilo in 2013 for factory fit lambs

Sheep

The sheep numbers stabilised during 2014 as the prices achieved for all sheep classes was significantly up on 2013, further illustrating the true value of supply and demand as the supply of Irish but especially European lamb has been continually decreasing year on year for the last decade. Sheep numbers fell by 5% in marts but the prices achieved rose between 11% and 23% to an average of almost €5 per kilo compared to €4 per kilo in 2013 for factory fit lambs.

Live sheep exports decreased by 32% on 2013 as the producer prices achieved in marts rendered this activity less attractive as in other years. The underlying reason for the increase in the sheep trade is due to increased live trade of sheep out of the EU and a decreasing European herd.

ICOS Rural Business Committee

Siobhán Mehigan, Co-operative Development Executive

In 2014, the ICOS Rural Business Committee had a busy year meeting four times to cover a wide and heavy agenda. The Committee is charged with the development of co-operative rural business policy on behalf of ICOS across a broad range of sectors and to identify and support co-operative businesses opportunities in rural Ireland.



Siobhán Mehigan, Co-operative Development Executive

2014 saw the Committee increase the profile of the co-operative model across a number of sectors through actions as follows:

- Submission and engagement with Departments of Agriculture, Food and Marine & Environment, Community and Local Government on the Rural Development Programme 2014 – 2020
- Submission and participation in consultation on Energy Policy in Ireland and the potential for increased usage of the co-operative model
- Engagement with Co-operatives Europe on their submission on the Small Business Act for Europe 2015 - 2020
- Engagement with Forestry Producer Organisations in assisting them in developing their businesses and making representations on their behalf to the Forestry Programme consultation phase
- Development of linkages with development agencies working with rural communities and enterprises
- Representation of Irish co-operatives at conferences and events in Ireland and Brussels covering sectors with co-operative potential

2014 was a pivotal year in Brussels, with both European Parliament elections and the appointment of the first Irish Agriculture Commissioner in a generation in Phil Hogan. It was also a year where we clearly saw the effect of events and decisions occurring outside of Ireland impact many of our co-operatively based businesses.



Conor Mulvihill, European Affairs Executive

Dairy

In the dairy sector, the highs of record prices and export growth were given a severe reality check in August with the imposition of the Russian agri-food ban, which also led to a reawakening of the milk supply control lobby in Brussels.

For our dairy co-operatives, we focused on 8 areas to help support the profitability of our members:

1. Safety Nets: Protection of public buying of stock-intervention and Private Storage Aid (PSA)
2. Extra Measures: Superlevy spread out, butterfat adjustment and defence against supply management were issues worked on by ICOS for our co-operatives
3. Trade: ICOS is an official Commission stakeholder for dairy in Trade agreements including facilitating new market access
4. Milk Market Observatory: ICOS is an official Irish participant for market information and projections
5. EU Milk Package: Defend co-operative and member interests in legislation developments
6. Direct Payments: ICOS worked to ensure vital CAP monies continue to get to dairy member farms as a key insulation against income volatility
7. Rural Development: ICOS worked to ensure monies were set aside for dairy training, capital investment, TAMs, disadvantaged areas and funding dairy partnership costs
8. EU Regulation: ICOS consistently monitoring developments on labelling, quality, environmental, promotion and a range of other issues

Livestock

Our livestock production, especially the key beef sector, also came under pressure over the course of the year, clearly showing the consequence of producers not having control of processing capacity in their own hands. Processors and retailers engaged in a strategy of using a combination of claimed consumer choice, unilaterally imposed conditions and EU origin labelling law to drive a big differential between UK, NI and southern Irish beef prices.

ICOS was active at a European level to combat these difficulties by lobbying robustly on issues such as competition law, labelling law, live export law, price comparison as well as examining the possibilities in Producer Organisation legislation in the recent CAP in the beef sector.

Our work was augmented with the elevation of ICOS Mart Committee Chairman, Michael Spellman to President of the European Association of Livestock Marts (AEMB).



General Co-operative Business

An important part of the Brussels remit is to go beyond specific actions for our key traditional co-operative sectors of dairy and livestock and to see can we bring means to develop the rural co-operative sector in general in Ireland.

To this end, the office has worked very closely with the ICOS Board and the ICOS Rural Business Committee to drive the enterprise model at European and national level.

The Chair of the ICOS Rural Business Committee, Seumas O'Brien has been appointed to the overall EU LEADER Steering group to represent co-operative interests in this vital programme.

The office did a lot of work with the Department of Agriculture, CEDRA and the Department of Environment to ensure that co-operative development interests were put forward in the formulation of the European and national policy.

COPA COGECA

Along with this work, ICOS continues to represent Ireland as the sole Irish co-operative representative on COPA COGECA, the umbrella body for European Farmers and Agri Co-operatives. We participate on the 44 working groups they run on every aspect of agriculture policy. The office also deals continually with the European Institutions, the Irish permanent representation, other national agriculture organisations in Ireland and across Europe and all other relevant businesses and stakeholders that could help our co-operative businesses in Ireland.

For over 40 years, the Brussels office has given great service to the Irish co-operative movement, but things are changing rapidly, with our businesses becoming increasingly open to global changes. Because of this it is important that we continue to evolve the work of the office to ensure that it is as effective as possible to help grow market return and intelligence to co-operative members and their employees.

ICOS Representation on Brussels Based Committees

Representation Topic	COGECA	EU Standing Committee
Cogeca Presidium	Bertie O'Leary & Seamus O'Donohoe	
CAP	Conor Mulvihill	Conor Mulvihill
Milk & Dairy Products	TJ Flanagan	TJ Flanagan
Beef	Ray Doyle	Conor Mulvihill
European Association of Livestock Marts	Michael Spellman & Ray Doyle	
Agriculture Structures & Rural Development	Conor Mulvihill	Conor Mulvihill
Environment	Conor Mulvihill	Ray Doyle
Veterinary Questions	TJ Flanagan	TJ Flanagan
Legal Questions	Seamus O'Donohoe	
Co-operative Co-ordination Committee	Conor Mulvihill	
Quality & Health	Conor Mulvihill	
Promotion of Agricultural Products	Conor Mulvihill	Conor Mulvihill
European Network on Rural Development	Conor Mulvihill	Seumas O'Brien
Research & Innovation	Conor Mulvihill	
Commission Civil Society Stakeholder Group on Trade	Conor Mulvihill	

Working with affiliate members in addressing their needs continues to be the core focus of ICOS. During the year ICOS staff continued to attend AGM's, SGM's and board meetings at the request of members to address issues on a wide array of policy areas. These range from rule and governance related issues to strategic and structural issues affecting the short and medium term growth trajectory of individual co-operatives and groups of co-operatives in different business sectors.

Launch of Plunkett Institute

At the ICOS National Conference in Portlaoise in November, ICOS announced the establishment of the Plunkett Institute for Co-operative Governance, an initiative to develop the governance skills of existing and future co-operative leaders. The Institute will provide a framework for the establishment of best practice in Co-operative Governance, for the promotion of training & skills development and for the recognition of the vital role played by farmer directors in the leadership and development of our commercial agri co-operatives.

Irish farmers are deeply involved in the strategy development and decision making processes driving multi billion euro commercial co-operatives. The role they play is often misunderstood and poorly appreciated. The Plunkett Institute aims to communicate to ordinary farmer members and to stakeholders, the importance of the leadership function, and to develop a greater understanding of co-operative governance structures and create a pipeline of young, informed, trained potential future leaders.



Minister of State at the Department of Agriculture, Food and the Marine Tom Hayes TD; Bertie O'Leary, ICOS President and Seamus O'Donohoe, ICOS CEO with the Sir Horace Plunkett bust at the launch of The Plunkett Institute for Co-operative Governance during the ICOS National Conference in Portlaoise 29/11/2014



Jerry Long, Drombane Co-operative with TJ Flanagan, ICOS at the ICOS National Conference in Portlaoise, 29 November 2014

The Plunkett Institute will publish and promote a set of Principles for Good Co-operative Governance, as well as a Code of Ethics for members of co-operative boards. The Plunkett Institute will provide training and development programmes for current and aspiring directors, as well as operating a programme of Continuing Professional Development (CPD), whereby farmer leaders can carry in their own professional development right throughout their careers.

Current and aspiring directors will be invited to join, and will be accepted to membership on completion of basic training, on agreeing to comply with the Good Governance Principles, the Code of Ethics and on agreeing to participate in the Continuing Professional Development Programme.



Cork Office

Sean Myers in the Cork office continued to assist member co-operatives with the development of policies and rules that would ensure ownership and control of the co-operatives be held in the hands of the user members. More and more co-operatives are adopting policies on: distribution of bonus shares related to trade, encashment of shares held by non-active members and the putting in place of firm policies on membership criteria.



Sean Myers, ICOS Cork office

Because of the continuing decline in the number of active farmers and trading shareholders generally, many co-operative boards, with ICOS assistance, are investigating other ways of ensuring that control of their businesses remain in farmer's hands. This work is detailed and requires, in many cases, imaginative amendments to the rules of the co-operatives concerned. A demanding aspect in terms of rule amendments in 2014 was the insertion of an amendment to many co-operative rulebooks to cater for the trend on the part of commercial farmers to carry out their business through companies.

ICOS National Conference 2014

The Role of Co-operatives in Improving Producer Influence in the Global Food Supply Chain was the theme for the 2014 ICOS National Conference, held on Wednesday, October 29th in the Killeslin Hotel, Portlaoise.

The conference examined the challenges facing producers in the global food supply chain and investigated the role of co-operatives in strengthening the hand of farmer members.



Martin Keane, ICOS Vice-Chairman; Bertie O'Leary, ICOS President; Seamus O'Donohoe, ICOS CEO and Professor Mike Boland, Agribusiness Management, University of Minnesota at the ICOS Dairy Chairmen's meeting in Portlaoise

The conference was opened by Agriculture Junior Minister Tom Hayes T.D. and the opening paper was delivered by Alan Renwick, Professor of Agricultural and Food Economics in UCD, who set out the evolution of the global food supply chain and the weakening position of farmers. The two following speakers took a look at the challenges from both a dairy and livestock perspective. Professor Mike Boland, from the University of Minnesota examined the approaches adopted by US Dairy Co-operatives to competing in global markets, while Norman Bagley from the UK Association of Independent Meat Suppliers explained how his members have created a space for themselves amidst the retail giants in Britain.

200 delegates attended the event and participated in focused workshops in the afternoon, with the conference concluding with the launch of the new Plunkett Institute for Co-operative Governance.



Veronique Pilet, CNIEL speaking at the ICOS National Conference

Plunkett Award for Co-operative Endeavour

The outstanding lifelong contribution to the Irish co-operative movement by the former CEO of Bandon Co-operative, Gus O'Brien, has been recognised nationally by the industry's highest honour – The Plunkett Award for Co-operative Endeavour.

Mr. O'Brien joined Bandon Co-operative in 1969 as a young dairy science graduate and has fulfilled many important and influential roles. In that time, he has been an essential and pivotal force in the development of Bandon Co-operative and a major contributor to the business of co-operation throughout Ireland.

For over 40 years, Mr. O'Brien has been a key presence in the remarkable business evolution of Bandon Co-operative. During this period, far sighted investments were undertaken in partnership with sister co-operatives Barryroe, Lisavaird and Drinagh including the buyout in 1991 of the Express Dairies interest in Carbery Food Products where Gus O'Brien was also a director.



Gus O'Brien, Bandon with his Plunkett Award, his wife Margaret and their family Daragh, Kieran, Una and Suzanne at the Plunkett Award Ceremony in Portlaoise on Wednesday, 17 December 2014

Presenting the award, Bertie O'Leary, then President of ICOS said, "Gus O'Brien has been an incredible asset to the co-operative movement throughout his entire career. His dedication, attention to detail and professionalism are the hallmarks of his approach to everything. He has a flair for business innovation that is matched by his sense of duty to his community. He is held in the highest esteem and he is exemplary of the best characteristics and ideals of co-operative endeavour."

Co-operative Sector Activity

Registrations of New Societies & Rule Amendments

Twelve new societies were registered in 2014. Three of those were group water schemes, two breed societies. Of the other seven new rural enterprise & community societies registered, two were forestry co-operatives and one artisan food distribution co-operative. Six societies had their rules completely amended by ICOS and seventeen were assisted in partially amending their rules.

Statistical Summary

The summary table for the Irish co-operative sector in 2014 should show a sectoral turnover of €14.9 billion which is an increase on €800 million on 2013. Total sales for the dairy sector have increased from €13.5bn in 2013 to €14.4bn in 2014. Mart turnover in the same period decreased from €217 million in 2013 to over €161 million in 2014.



Total sales for the dairy sector have increased from **€13.5bn** in 2013 to **€14.4bn** in 2014.



Mart turnover decreased from **€217** million in 2013 to over **€161** million in 2014.



The ATC Group

The purchasing Group comprises of 18 co-operatives with total purchases of in excess of €31m through our Group had again a successful year and accomplished its objective of enhancing the buying power of its Members.

Our "Co-op Source" branded product groupings now has a compliment of seven product groupings under our brand. These being:

- Crop packaging
- Animal mineral supplements
- Dairy Detergents
- Clothing
- Grass Seeds
- Milking Machine filter socks
- Cow teat foam sanitizer

Our membership extends throughout the country with Inishowen Co-operative in north Donegal to Drinagh Co-operative in the south west. The Group headquarters is at the ICOS office in Cork, with Sean Myers as Secretary.

Our plans for the coming year are to strengthen the Group further by the appointment of a full time Manager to be based in the south who will take full responsibility for the management and growth of the Group into the future.

IFCD furthered its work in 2014, with some projects being completed, some expanding and new projects being animated. The work is being driven by Tom Millane on the ground in Kenya and supported by the current Board of Directors who are Jim Russell, Alo Duffy, Michael O'Connor, Sinead Farrell, Seumas O'Brien and Seamus O'Donohoe (CEO, ICOS).



Some projects completed in 2014 are as follows:

Kapkuikui Honey Production is now selling pure local acacia honey to supermarkets, schools and hotels. The project was made possible by IFCD agreeing to fund a processing and community training centre. The current store is finished to a high quality and hygienic specifications meeting Office of Public Works and Public Health standard and is used, not only by the local farmers but also the community and Egerton University. The University is particularly interested in the development model used by IFCD in its collaboration with rural co-operatives.

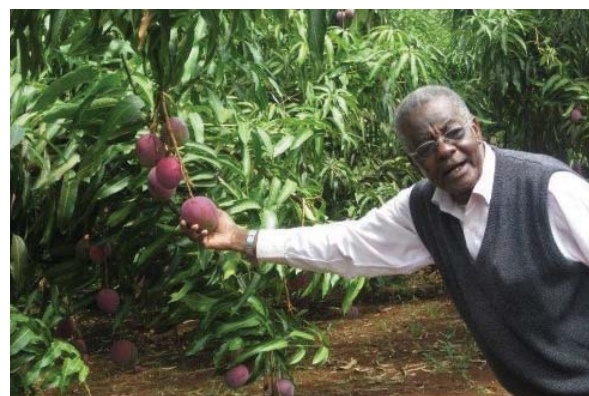
The entire project cost €18,000. This included construction of the centre, support, mentoring and training.

Meru Fruit Growers Association have 400 members and produce fruits such as mangoes, papaya and oranges. The co-operative is targeting the processed fruit industry because they are currently price takers. They hope to streamline production and delve into processing, which affords a greater profit.

An IFCD supported study indicated that fruit processing could be very lucrative for the small farmers. The group located a site where such an enterprise could take place.



IFCD worked closely with the management committee developing a production system that would meet the needs of the co-operative. This included liaising closely with Food Technologists from Meru Institute of Technology.



IFCD will continue to support and mentor the group throughout the foreseeable future. In the past 7 years, IFCD contributed €25,000 to the project.

IFCD acknowledges the support and contributions from ICOS member co-operatives to the worthwhile work of this programme.

ICOS Skillnet, promoted by ICOS has been offering training and network supports to member co-operatives over the past number of years.



ICOS Skillnet promotes training and development among its membership base of more than 130 co-operatives, which have more than 150,000 individual members. Members

are highly geographically dispersed, with predominance in rural areas providing substantial employment across the country. It is the expressed aim of the Skillnet Network to provide training to its members, which is tailored to their specific needs, their identified skill gaps and which is not readily accessible in terms of delivery location.

Our long term strategy continues to focus on providing supports to the co-operative and agri-business sectors through meeting their training & development needs, thereby sustaining competitiveness and growth for the target sectors.

The ICOS Skillnet Steering Committee is representative of the member co-operative businesses within the network. There are eleven members on the Committee representing a broad range of agricultural co-operative businesses within the Network sector.

ICOS Skillnet has continued to perform very well during 2014, while continuing to make very good progress in terms of the stated objectives of the Network.

The Steering Committee review points towards a well engaged and fully functioning network management structure. The variety of activities and training supports offered is generally perceived to be in line with industry requirements although a need for further innovation and expansion is indicated.

The Impact Measurement Study undertaken across the Network membership indicates that a very significant range of benefits are accruing to individual businesses. These benefits represent the real business impacts that participation in a training network can deliver.

Elements of proposed training have not taken place as outlined in the proposal but these have been more than adequately substituted by other objectively relevant training activities.



Billy Goodburn and Breeda Flood ICOS Skillnet at the ICOS National Conference in Portlaoise in November

ICOS Skillnet statistics 2014

	Target	Actual	Actual 2013	Percentage Achieved	Percentage increase on 2013
Member Companies	62	59	46	95 %	28.2%
Employed Trainees	744	1,308	1033	176 %	26.6%
Unemployed Trainees	84	111	65	132 %	70.7%
Employed Training Days	3,218	3,586	3403	111 %	5.3%
Unemployed Training Days	273	275	229	101 %	20%
Total Trainees	828	1,419	1098	171 %	29%
Total Training Days	3,491	3,861	3632	111%	6.3%

ICOS PENSIONS DIVISION

ICOS Ltd is the registered formal administrator for two group industry-wide pension schemes – the Irish Co-operative Societies' Pension Scheme and the Dairy Executives' Pension Fund, covering 35 contributing co-operatives. Highlights from the most recent statistics of the schemes are:

- Aggregate membership of the two schemes comprises around 800 current employees in membership, over one thousand former employees and in excess of 1,200 pensioners and dependents in receipt of pensions
- Contributions paid in by employees was €1.4 million
- Co-operative employer contributions came to €2.7 million
- Assets under professional management amounted to €160 million (invested in global equities, international government and corporate bonds, commercial property and cash)
- Annual pension payroll for co-operative retirees (and spouses/dependants of deceased co-operative employees) came to €5 million
- Lump sums paid to new pensioners and dependants of deceased members totalled €1 million

ICOS pension personnel are Gerry Armstrong, who primarily handles the running of the active membership and trustee responsibilities of the schemes and Brian O'Dowd, whose duties include payment of the monthly pension payrolls, and administrative functions in the governance/financial control areas.

Dedicated in-house computer systems are utilised in the management of the numerous tasks that arise, ranging from basic member enquiries to full trustee annual reports incorporating audited financial statements & accounts and statutory disclosures. Additional executive support in the operation of the schemes is provided from managerial, financial and secretarial resources within ICOS. Non-executive resources towards trustee committees are drawn from co-operative boards, executive staff and scheme memberships.

In year-to-date, ICOS Pensions Department handled in excess of 3,000 phone calls, administers about 100 new retirement/deaths and answers enquiries from several hundred former members, in addition to providing contribution and year-end reports for participating co-operatives. It also manages the other professional inputs into the schemes from actuaries, investment firms, insurers, legal advisors and audit services.

Through 2014 and into 2015, as is the case with the majority of defined benefit arrangements in Ireland, both schemes have been negotiating and implementing restructuring proposals. These plans are now coming to fruition. During this process, over 3,000 consultative/information letters have been issued from ICOS and approximately 500 personal enquiries have been fielded.



Seamus O'Donohoe, ICOS CEO with Minister of State at the Department of Agriculture, Food and the Marine Tom Hayes TD at the ICOS National Conference in Portlaoise



John Bryan, Kilkenny Livestock Mart; Pat Smith, IFA and Pat O'Keeffe, Dairygold Co-op at the ICOS National Conference in Portlaoise

ICOS REPRESENTATION ON OTHER BODIES

ICOS Services Ltd

Mr Bertie O'Leary	President, ICOS Ltd
Mr Martin Keane	Vice President, ICOS Ltd
Mr Seamus O'Donohoe	CEO, ICOS Ltd
Mr TJ Flanagan	Dairy Policy Executive, ICOS Ltd

Irish Foundation for Co-operative Development Ltd (IFCD)

Mr Seamus O'Donohoe	CEO, ICOS Ltd
Mr Seumas O'Brien	IFAC Ltd
Mr Michael Teahon	Kerry Co-operative Creameries Ltd (retired January 2014 & replaced by Michael O'Connell)
Mr Padraig Young	Lakeland Dairies Co-operative Society Ltd
Mr Jim Russell	Centenary Thurles Co-operative Society Ltd

Golden Jubilee Trust Limited

Mr Bertie O'Leary	ICOS Ltd
Mr Martin Keane	ICOS Ltd
Mr Michael Spellman	ICOS Ltd
Dr Sean Brady	Consultant
Dr Noel Cawley	Former CEO Irish Dairy Board, Chairman Teagasc
Ms Siobhan Collier	PWC Kilkenny

Irish Co-operative Society Pension Scheme

Mr Padraig Gibbons
Mr Michael John O'Donovan
Mr Bertie O'Leary
Mr Seamus O'Donohoe

Dairy Executives Pension Scheme

Mr Johnny O'Brien
Mr Padraig Young
Mr Brian O'Dowd

Dairy Research Trust Board

Mr Padraig Gibbons
Mr Matt Quinlan
Mr Johnny O'Brien

Irish Dairy board

Mr Jim Russell

Teagasc

Mr Padraig Gibbons

Irish Farm Accounts Co-operative Society Ltd (IFAC)

Mr Seumas O'Brien

National Dairy Council

Mr Padraig Gibbons

National Economic & Social Council (NESC)

Mr Seamus O'Donohoe

Milk Quota Appeals Tribunal

Mr TJ Flanagan

Milk Quota Review Group

George Kearns

Central Statistics Office (CSO)

Mr Seamus O'Donohoe



ICOS Board members (Missing Donal Tobin)

ICOS Board

Padraig Gibbons	Aurivo Co-operative Society Ltd
Jim Russell	Centenary Thurles Co-operative Society Ltd
Liam Williams	Clare Marts Ltd
Bertie O'Leary	Dairygold Co-operative Society Ltd
Jerry Long	Drombane Co-operative Society Ltd
Martin Keane (President)	Glanbia Co-operative Society Ltd
Seumas O'Brien	Irish Farm Accounts Co-operative Society Ltd (IFAC)
Michael O'Connor	Kerry Co-operative Creameries Ltd
Alo Duffy	Lakeland Dairies Co-operative Society Ltd
John Ahern	North Cork Co-operative Creameries Ltd
Michael Spellman (Vice-President)	Roscommon Co-operative Livestock Mart Ltd
Donal Tobin	The Irish Dairy Board Co-operative Ltd
Matt Quinlan	Tipperary Co-operative Creamery Ltd

Dairy Committee

Patrick McLoughlin	Arrabawn Co-operative Society Ltd
Padraig Gibbons	Aurivo Co-operative Society Ltd
Michael Coleman	Barryroe Co-operative Ltd
Danny Collins	Boherbue Co-operative Ltd
Jim Russell	Centenary Thurles Co-operative Society Ltd
Bertie O'Leary	Dairygold Co-operative Society Ltd
Jerry Long	Drombane Co-operative Society Ltd
Martin Keane	Glanbia Co-operative Society Ltd
Donal Tobin	Irish Dairy Board Co-operative Ltd
Michael O'Connor	Kerry Co-operative Creameries Ltd
Padraig Young	Lakeland Dairies Co-operative Society Ltd
Robert Shannon	Lisavaird Co-operative Creameries Ltd
John Ahern	North Cork Co-operative Creameries Ltd
Matt Quinlan	Tipperary Co-operative Creamery Ltd
Andrew McConkey	Town of Monaghan Co-operative Ltd

Mart Committee

Pat Duffy	Aurivo Co-operative Society Ltd
Jimmy Roche	Castleisland Co-operative Society Ltd
Ray Dempsey	Central Auctions Services Co-operative Society Ltd
Liam Williams	Clare Marts Ltd
Gus Murphy	Cork Co-operative Marts Ltd
Charlie Doherty	Inishowen Co-operative Society Ltd
John Cott	Kanturk Co-operative Mart Ltd
Michael Parsons	Kilkenny Co-operative Livestock Mart Ltd
Francis Burke	Mid-Tipperary Co-operative Livestock Mart Ltd
Michael Spellman	Roscommon Co-operative Livestock Mart Ltd
Gerry Hoade	Tuam Co-operative Livestock Mart Ltd
Liam O'Byrne	Wexford Farmers Co-operative Society Ltd

Rural Committee

Jimmy Roche <i>(started in September 2014)</i>	Castleisland Co-operative Society Ltd
Liam Williams	Clare Marts Ltd
Gerry Reilly	Commercial Mushroom Producers Ltd
Jerry Long <i>(replaced Jim Russell Century Thurles in September 2014)</i>	Drombane Co-operative Society Ltd
Seumas O'Brien	Irish Farm Accounts Co-operative Society Ltd (IFAC)
James Kane	Irish Farm Accounts Co-operative Society Ltd (IFAC)
Padraig Young	Lakeland Dairies Co-operative Society Ltd
James O'Donnell	National Co-operative Farm Relief Services Ltd (NCFRS)
Paddy Ward	National Federation Group Water Schemes Society Ltd (NFGWS)
Joe Harte	National Federation Group Water Schemes Society Ltd (NFGWS)
John Ahern	North Cork Co-operative Creameries Ltd
Michael Spellman	Roscommon Co-operative Livestock Mart Ltd

IRISH CO-OPERATIVE ORGANISATION SOCIETY LIMITED

Statement of directors' responsibilities

The Board is responsible for preparing financial statements which give a true and fair view in accordance with applicable Irish law including the Industrial and Provident Societies Acts, 1893 to 2014 and Generally Accepted Accounting Practice in Ireland including the accounting standards issued by the Financial Reporting Council and Published by Chartered Accountants Ireland.

In causing the preparation of the 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

The Board confirms that it has complied with the above requirements in preparing the financial statements.

The Board is responsible for causing to be kept 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 also responsible for safeguarding the assets of the Society and hence for taking responsible steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board:

President: Martin Keane



Vice President: Michael Spellman



Secretary: Seamus O'Donohoe

For and on behalf of Co-operative Consultancy Services (CCS) Limited





INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IRISH CO-OPERATIVE ORGANISATION SOCIETY LIMITED

We have audited the financial statements of the Irish Co-Operative Organisation Society Limited for the year ended 31 December 2014 which comprise the Income and Expenditure Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Society's members, as a body, in accordance with Section 13 of the Industrial and Provident Societies Act, 1893. Our work has been undertaken so that we might state to the Society's members those matters which we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept responsibility to anyone other than the Society and the Society's members as a body for our work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements giving a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with Irish law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Society circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies, we consider the implications for our report.

Opinion

In our opinion, the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of affairs of the Society at 31 December 2014 and of its surplus for the year then ended.

Other matters

We have obtained all the information and explanations which we consider necessary for the purposes of our audit. In our opinion, proper books of accounts have been kept by the Society. The financial statements are in agreement with the books of accounts.

In accordance with Section 13 of the Industrial and Provident Societies Act, 1893, we now sign the same as found to be correct, duly vouched and in accordance with law.

Colm O'Sé

for and on behalf of KPMG

Chartered Accountants, Statutory Audit Firm
1 Stokes Place, St. Stephen's Green, Dublin 2, Ireland

15 April 2015

IRISH CO-OPERATIVE ORGANISATION SOCIETY LIMITED

INCOME AND EXPENDITURE ACCOUNT

YEAR ENDED 31 DECEMBER 2014

	2014 €	2013 €
Income		
Societies' contributions received	1,338,440	1,222,588
Other income & management recharges	52,058	35,639
Seminars, training and education	433,517	439,740
Grants & management recharges received from The Golden Jubilee Trust Fund	75,000	126,719
	1,899,015	1,824,686
Expenditure		
Payroll		
Salaries and state insurance	798,624	686,669
Pension cost	97,325	94,009
	895,949	780,678
Travel and services		
Travel expenses	180,071	172,915
Public relations, education and training	56,028	68,707
Postage and telecommunications	18,765	22,716
Printing and stationery	9,034	11,943
	263,898	276,281
Overheads		
Rent, rates, light, insurance and household expenses	121,370	131,103
Subscriptions	41,887	45,106
Professional fees	69,159	96,262
Maintenance and repairs	27,906	29,181
Depreciation of fixed assets	9,734	10,280
Plunkett Institute	1,378	-
Miscellaneous expenses	47,359	44,006
	318,793	355,938
Finance costs		
Finance expense – pensions	12,238	11,312
Interest and charges	5,954	10,330
	18,192	21,642
Surplus for the year before state grant and taxation	402,183	390,147

IRISH CO-OPERATIVE ORGANISATION SOCIETY LIMITED

INCOME AND EXPENDITURE ACCOUNT (CONTINUED)

YEAR ENDED 31 DECEMBER 2014

	Notes	2014 €	2013 €
Surplus for the year before state grant and taxation		402,183	390,147
State grant		12,000	12,000
Surplus on ordinary activities before taxation		414,183	402,147
Taxation	3	-	(5)
Surplus for the year	11	414,183	402,142

All income and expenditure arises solely from continuing operations. No gains or losses were recognised in the current or prior years other than those recognised in the Income and Expenditure Account.

On behalf of the Board:

President: Martin Keane



Vice President: Michael Spellman



Secretary: Seamus O'Donohoe

For and on behalf of Co-operative Consultancy Services (CCS) Limited



Statement of Total Recognised Gains and Losses

	Notes	2014 €	2013 €
Surplus for the year		414,183	402,142
Forgiveness of historic debt by related undertakings	14	741,095	-
Total gains and losses for the year		<u>1,155,278</u>	<u>402,142</u>

IRISH CO-OPERATIVE ORGANISATION SOCIETY LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2014

	Notes	2014 €	2013 €
Fixed assets	4	76,053	66,778
Current assets			
Bank balances and cash		1,061,781	949,781
Debtors and prepayments	5	235,589	173,427
		1,297,370	1,123,208
Creditors due within one year			
Creditors and accruals	6	(1,136,941)	(1,790,774)
Net current liabilities		160,429	(667,566)
Creditors due after one year			
Bank term loan	7	-	(118,008)
Loan from the Golden Jubilee Trust Fund	8	-	(200,000)
Net assets/(liabilities)		236,482	(918,796)
Capital employed			
Share capital	10	134	134
General revenue account deficit	11	188,848	(966,430)
Revaluation reserve	12	47,500	47,500
Shareholders' funds/(deficit)	13	236,482	(918,796)

On behalf of the Board:

President:

Martin Keane



Vice President:

Michael Spellman



Secretary:

Seamus O'Donohoe

For and on behalf of Co-operative Consultancy Services (CCS) Limited



IRISH CO-OPERATIVE ORGANISATION SOCIETY LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 Basis of preparation

The financial statements have been prepared in accordance with Generally Accepted Accounting Standards in Ireland and Irish statute comprising the Industrial Provident Societies Acts, 1893 to 2014 under the historical cost convention, as modified by the revaluation of artwork as set out below. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by Chartered Accountants Ireland and issued by the Financial Reporting Council.

The financial statements have been prepared on a going concern basis which assumes the Society will have sufficient funding and cash resources to continue its operation, without material curtailment, for the foreseeable future. The financial position reflected in the balance sheet as at 31 December 2014 represents a significant stabilisation over the past number of years which has been achieved in part with the support of The Golden Jubilee Trust Fund ("the Trust").

The Society appreciates the ongoing financial support of the Trust and anticipates that its Trustees will provide further funding to the Society in support of its activities, including in particular those activities which promote the development of the Co-operative movement in Ireland, subject to appropriate applications being made to the Trust to support specific activities.

The Board has prepared and approved financial and cash flow projections for the Society for the period up to 31 December 2017, based on assumptions in relation to future income and costs which they consider appropriate in light of their plans and expectations. On that basis, the Board believes that the Society will generate sufficient cash so as to allow the Society to continue in operational existence for the foreseeable future.

Accordingly, the Board considers it appropriate to prepare the financial statements on a going concern basis.

2 Accounting policies

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

Societies' contributions

Contributions from societies are taken into 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.

IRISH CO-OPERATIVE ORGANISATION SOCIETY LIMITED

NOTES (CONTINUED)

2 Accounting policies (continued)

Other income

Income, other than Societies' contributions, represents the value of services supplied to external customers.

Fixed assets

Fixed assets are stated at cost less accumulated depreciation, except for artwork which is carried at revalued amount 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. 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	3 years
Motor vehicles	5 years
Artwork	-

A formal valuation was undertaken on certain artwork assets during the year ended 31 December 2011 by independent professional valuers as set out in note 4. Revaluation gains are recognised in the statement of total recognised gains and losses except to the extent that they reverse revaluation losses that were previously charged to the income and expenditure account when they are charged to the income and expenditure account. Revaluation losses which represent a clear consumption of economic benefit inherent in the asset are recognised in the income and expenditure account.

Retirement benefits

Gains and losses arising on settlement and curtailment are recognised immediately in the income and expenditure account at the date on which all parties whose consent is required are irrevocably committed to the transaction.

The defined contribution pension charge to operating profit comprises the contribution payable to the scheme for the year.

Taxation

Current tax is provided on the Society's taxable profits at amounts expected to be paid using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Provision is made at the rates expected to apply when the timing differences reverse. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in taxable profits in periods different from those in which they are recognised in the financial statements.

IRISH CO-OPERATIVE ORGANISATION SOCIETY LIMITED

NOTES (CONTINUED)

2 Accounting policies (continued)

Taxation (continued)

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Foreign currencies

Current assets and current liabilities denominated in foreign currencies are translated into euro ("€") 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.

3 Taxation

	2014	2013
	€	€
Irish corporation tax charge on surplus for the year	24,702	5
Income tax suffered on income received	(244)	-
Prior years	-	-
Current tax charge for the year	<u>24,458</u>	<u>5</u>

The current tax charge for the year is different from the credit/(charge) that would result from applying the standard rate of Irish corporation tax to the surplus for the year. The differences are explained below:

	2014	2013
	€	€
Surplus on ordinary activities before taxation	<u>414,183</u>	<u>402,147</u>
Surplus for year multiplied by the average rate of Irish corporation tax for the year of 12½%	51,773	50,268
<i>Effect of:</i>		
Pension contribution less than/(in excess of) pension cost charge	4,403	2,764
Expenses not deductible for tax purposes	14	68
Capital allowances in excess of depreciation	8	(55)
Tax on higher rates	105	3
Non-taxable grant income	(1,500)	(1,500)
Losses forward utilised	(122,634)	(51,543)
Unutilised losses arising in the year	194	-
Forgiveness of historic debt	67,637	-
Current tax for the year	<u>-</u>	<u>5</u>

IRISH CO-OPERATIVE ORGANISATION SOCIETY LIMITED

NOTES (CONTINUED)

4 Fixed assets

	Furniture, fittings & equipment	Computer equipment	Art work	Total
	€	€	€	€
Cost/valuation				
At 31 December 2013	37,536	78,063	47,500	163,099
Additions	-	18,956	-	18,956
At 31 December 2014	37,536	97,019	47,500	182,055
Accumulated depreciation				
At 31 December 2013	28,749	67,572	-	96,321
Charge for year	3,043	6,638	-	9,681
At 31 December 2014	31,792	74,210	-	106,002
Net book amounts				
At 31 December 2014	5,744	22,809	47,500	76,053
At 31 December 2013	8,787	10,491	47,500	66,778

In 2011, an exercise was undertaken to revalue certain paintings and other artwork held by the Society to which no value had previously been attributed in the financial statements. A revaluation adjustment was reflected to recognise the valuation estimate of €47,500 which was determined by professional valuers, the Oriel Gallery. No subsequent adjustments have been made.

5 Debtors and prepayments

	2014	2013
	€	€
Trade debtors	13,120	8,019
Prepayments and other debtors	24,620	46,731
Corporation tax recoverable	-	170
<i>Amounts due from related parties:</i>		
ICOS Skillnet project	38,108	15,362
Golden Jubilee Trust Fund	33,719	-
Irish Co-operative Societies Pension Scheme	117,454	73,710
Dairy Executives Pension Scheme	8,568	17,135
I.F.C.D.	-	12,300
	235,589	173,427

IRISH CO-OPERATIVE ORGANISATION SOCIETY LIMITED

NOTES (CONTINUED)

6 Creditors: amounts falling due within one year

	2014 €	2013 €
Creditors and accruals	541,563	521,851
Deferred income	-	26,800
Bank loan (note 7)	20,477	142,167
PAYE and PRSI	30,305	21,882
VAT	34,990	24,196
<i>Amounts due to related parties:</i>		
ICOS Services Co-Operative Society Limited	-	251,095
Golden Jubilee Trust Fund	509,570	802,783
I.F.C.D.	36	-
	1,136,941	1,790,774

7 Bank loans

The Society's Bank loan is repayable as follows:

	Total €	< 1 year €	2-5 years €
Payable within one year	20,477	20,477	-

The loan is repayable by monthly instalments and currently re-prices on a quarterly basis. The bank loan is secured by assignment of a Deposit Account of the Society for €250,000.

8 Loan from the Golden Jubilee Trust Fund

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

Further disclosures regarding the repayment of these amounts are set out in the basis of preparation note.

IRISH CO-OPERATIVE ORGANISATION SOCIETY LIMITED

NOTES (CONTINUED)

9 Retirement benefits

The Society's contributions to PRSA's are charged to the Income and Expenditure Accounts as incurred and amounted to €109,563 (2013: €94,009) in the year.

10 Share capital

	Number	€
At 31 December 2014	134	134
During the year, there were no new affiliations and no disaffiliations.		

11 General revenue account deficit

	2014 €	2013 €
Deficit at the beginning of the year	(966,430)	(1,368,572)
Total recognised gains and losses for the year	1,155,278	402,142
Deficit at end of the year	<u>188,848</u>	<u>(966,430)</u>

12 Revaluation reserve

	2014 €	2013 €
Opening and closing balance (note 4)	<u>47,500</u>	<u>47,500</u>

13 Reconciliation of movements in shareholders' deficit

	2014 €	2013 €
Shareholders' deficit at beginning of the year	(918,796)	(1,320,938)
Total recognised gains and losses for the year	1,155,278	402,142
	<u>236,482</u>	<u>(918,796)</u>

IRISH CO-OPERATIVE ORGANISATION SOCIETY LIMITED

NOTES (CONTINUED)

14 Related parties

The Society, ICOS Services Co-Operative Society Limited, Golden Jubilee Trust Fund, Irish Foundation for Co-Operative Development Limited, Dairy Executive Pension Scheme and Irish Co-operative Society Pension Scheme are related parties under Financial Reporting Standard No. 8 – “Related party disclosures”.

Amounts owed to ICOS at 31 December 2014 were as follows: ICOS Skillnet project €38,108, Irish Co-Operative Society Pension Scheme €117,454, Golden Jubilee Trust Fund €33,179, Dairy Executives Pension Scheme €8,568, I.F.C.D. €(36).

Amounts owed by ICOS at 31 December 2014 are to Golden Jubilee Trust Fund €509,570. During the year, ICOS Services Co-operative Society Limited and The Golden Jubilee Trust Fund formally waived amounts owed to them by ICOS of €251,095 and €490,000 respectively. These amounts have been presented within the Statement of Total Recognised Gains and Losses.

15 Approval of financial statements

The Board approved the financial statements on 15 April 2015.

Co-operative Statistics

Dairy Co-operative Societies 2013					Balance sheet €'000								
		Trading performance €'000					Assets employed		Financed by				
Society	Members	Employees (inc part / time)	Total sales	EBITDA	Net profit / (loss) before tax	Net profit / (loss) as a % sales	Tangible fixed assets	Total assets less current liabilities	Shareholders / Members Funds	Bank overdraft / loans & finance leases	Other	Debt / equity ratio	
1 Arrabawn	5,300	304	220,467	6,440	1,757	0.80%	30,010	43,256	37,559	10,131	-4,434	26.97%	
2 Aurivo Co-op Society	15,623	719	453,559	11,422	3,790	0.84%	34,814	63,749	38,698	107,601	-82,550	278.05%	
3 Bandon	675	208	120,124	4,754	4,414	3.67%	13,449	63,162	60,509	4,485	-1,832	7.41%	
4 Barryroe	622	215	122,557	8,446	6,234	5.09%	34,491	82,632	70,929	6,904	4,799	9.73%	
5 Boherbue	164	43	20,542	339	182	0.89%	3,034	7,538	7,538	0	0	0.00%	
6 Callan	170	33	15,975	1,610	1,344	8.41%	2,078	7,066	7,066	0	0	0.00%	
7 Centenary Thurles	1,248	116	87,781	5,854	4,391	5.00%	14,548	38,910	35,128	0	3,782	0.00%	
8 Dairy Gold	8,536	1,117	847,407	50,317	27,767	3.28%	194,215	345,793	273,844	59,538	12,411	21.74%	
9 Doapey	289	4	2,781	-114	-119	-4.28%	21	811	811	0	0	0.00%	
10 Drinagh	2,414	250	119,189	11,699	9,708	8.15%	21,997	97,870	89,184	10,003	-1,317	11.22%	
11 Drombane	173	9	8,105	376	357	4.40%	123	2,419	2,419	0	0	0.00%	
12 Fealesbridge	344	8	9,066	-34	-52	-0.57%	358	2,838	2,838	0	0	0.00%	
13 Glanbia	17,837	3,418	3,221,105	231,852	166,399	5.17%	561,682	1,517,758	752,737	398,139	366,882	52.89%	
14 Irish Dairy Board	3,276	3,064	2,124,088	45,860	22,846	1.08%	127,222	450,073	417,369		32,704	0.00%	
15 Kerry	13,000	24,182	5,836,700	327,700	121,900	2.09%	1,090,500	1,967,500	1,967,500	1,079,800	-1,079,800	54.88%	
16 Lakeland Dairies	4,658	627	545,532	22,865	10,335	1.89%	59,619	114,324	87,091	50,840	-23,607	58.38%	
17 Lee Strand	271	98	29,150	565	-909	-3.12%	23,399	16,884	14,253	24,409	-21,778	171.26%	
18 Lisavaird	1,044	80	69,476	6,202	4,669	6.72%	11,739	61,996	58,507	1,463	2,026	2.50%	
19 Maudabawn**	190	8	7,877	32	1	0.01%	232	1,266	1,266	0	0	0.00%	
20 Mullinahone	51	74	27,180	889	443	1.63%	3,197	6,776	6,448	0	328	0.00%	
21 Newtownsandes**	200	10	11,364	89	-21	-0.18%	105	4,065	4,065	0	0	0.00%	
22 North Cork	550	65	66,269	1,687	9,830	14.83%	7,687	11,886	10,547	0	1,339	0.00%	
23 Tipperary Co-operative Creamery Ltd	1,833	117	168,536	4,064	1,216	0.72%	18,707	32,093	26,461	13,258	-7,626	50.10%	
24 Town of Monaghan	515	154	219,219	12,009	10,479	4.78%	2,744	43,413	43,059	0	354	0.00%	
25 Wexford Milk Producers**	364	2	66,521	6,003	4,769	7.17%	8,662	23,171	13,369	6,493	3,309	48.57%	
26 OldCastle Co-op Creamery Ltd	374	8	2,596	71	36	1.39%	916	1,076	1,076	539	-539	50.09%	
Total	79,721	34,933	14,423,166	760,997	411,766	2.85%	2,265,549	5,008,325	4,030,271	1,773,603	-795,549	44.01%	

** Previous year figure
Not applicable
N/A Not Available
EBITDA Earnings before interest, tax, depreciation & amortisation

Co-operative Statistics

Mart Co-operative Societies 2013				Balance sheet €'000									
				Trading performance €'000				Assets employed		Financed by			
Society	Members	Employees (inc part / time)	Total sales	EBITDA	Net profit / (loss) before tax	Net profit / (loss) as a % sales	Tangible fixed assets	Total assets less current liabilities	Shareholders / Members Funds	Bank overdraft / loans & finance leases	Other	Debt / equity ratio	
1	Athenry	1,600	867	52	18	2.08%	1,144	3,658	3,631	0	27	0.00%	
2	Ballyjamesduff	457	28,612	229	166	0.58%	846	3,580	3,571	-2,103	2,112	-58.89%	
3	Castleisland	310	28,430	102	50	0.18%	943	3,203	2,953	0	250	0.00%	
4	Castlerea	750	1,149	15	-36	-3.13%	1,095	1,948	1,948	0	0	0.00%	
5	Central Auctions	1,489	1,426	383	269	18.86%	1,411	4,676	4,525	0	151	0.00%	
6	Clare Marts	2,435	1,932	449	295	15.27%	2,810	7,440	6,987	0	453	0.00%	
8	Corcaghan	290	2,849	86	9	0.32%	96	2,968	2,588	140	240	2,208	
7	Cork Marts	9,989	9,654	1,567	796	8.25%	34,186	30,605	15,299	16,576	-1,270	108.35%	
8	East Donegal	283	22,178	96	54	0.24%	489	1,225	1,223	2	0	0.16%	
9	Dingle Mart	552	5	-5	-5	-100.00%	380	379	122	0	257	0.00%	
10	Iveragh	447	205	33	9	4.39%	333	377	232	-41	186	-17.67%	
11	Kanturk	173	467	140	93	19.91%	1,514	1,916	1,467	449	0	30.61%	
12	Kenmare	380	500	121	104	20.80%	508	1,010	1,007	0	3	0.00%	
13	Kilkenny	1,478	1,667	393	-670	-40.19%	19,570	19,989	8,131	8,981	2,877	110.45%	
14	Kingdom	727	376	84	11	2.93%	1,083	2,285	1,210	1,149	-74	94.96%	
15	Leinster Co-op Marts	930	506	72	28	5.53%	2,194	1,811	1,811	0	0	0.00%	
16	Mayo Sligo	714	677	116	85	12.56%	1,062	3,887	100	1,132	2,655	1132.00%	
17	Mid Kerry	444	304	-82	-103	-33.88%	508	604	603	216	-215	35.82%	
18	Mid Tipperary	765	755	85	-23	-3.05%	965	1,648	1,648	0	0	0.00%	
19	Roscommon	523	827	-72	-90	-10.88%	2,760	3,111	2,268	584	259	25.75%	
20	Templemore	800	7,662	15	4	0.05%	219	574	574	0	0	0.00%	
21	Tuam	1,330	4,521	72	42	0.93%	850	1,919	1,919	0	0	0.00%	
22	Waterford / Ross	1,155	298	44	24	8.05%	736	620	475	606	-461	127.58%	
23	Wexford Farmers	2,500	45,509	-17,190	-17,942	-39.43%	15,504	14,762	9,748	6,646	-1,632	68.18%	
	Total	30,521	161,376	-13,195	-16,812	-10.42%	91,206	114,195	74,040	34,337	5,818	46.38%	

** Prior year figure

N/A Not Available

EBITDA Earnings before interest, tax, depreciation & amortisation

Co-operative Statistics

Other Co-operative Societies 2013							Balance sheet €'000								
							Trading performance €'000			Assets employed		Financed by			
Society		Members	Employees (Inc part / time)	Total sales	EBITDA	Net profit / (loss) before tax	Net profit / (loss) as a % sales	Tangible fixed assets	Total assets less current liabilities	Shareholders / Members Funds	Bank overdraft / loans & finance leases	Other	Debt / equity ratio		
CATTLE BREEDING SOCIETIES															
1	SECBS		37	5,175	385	250	4.83%	6,439	8,408	7,587	772	49	10.18%		
STORE SOCIETIES															
2	Oldcastle	**	12	5,811	154	82	1.41%	1,280	2,043	1,312	662	69	50.46%		
3	Templecrone	**	116	13,340	359	-93	-0.70%	8,716	648	9,676	644	-9,672	6.66%		
4	Inishowen		50	16,009	420	258	1.61%	3,841	9,617	7,765	0	1,852	0.00%		
5	Killasnett		14	3,141	81	4	0.13%	679	1,687	1,647	0	40	0.00%		
SPECIALIST BREEDING SOCIETIES															
6	Irish Angus Cattle		2	276	18	12	4.35%	164	739	739	0	0	0.00%		
7	Irish Charolais Cattle		4	684	-187	-198	-28.95%	16	1,757	1,757	0	0	0.00%		
8	Irish Limousin		5	659	65	58	8.80%	276	1,088	1,088	0	0	0.00%		
RURAL DEVELOPMENT & MISCELLANEOUS SOCIETIES															
9	NFGWS		9	626	-123	-107	-17.09%	16	1,072	1,072	0	0	0.00%		
10	Bulgaden Group Water Scheme Co-op Society Ltd		0	49	11	4	8.16%	79	115	53	0	62	0.00%		
11	Ballintorman Group Water Scheme Co-op Society Ltd			16	0	0	-2.56%	0	16	0	0	16	0.00%		
12	Kilmovee Urlaur GWS Co-op Society Ltd		1	187	-9	-9	-4.81%	0	162	162	0	0	0.00%		
13	Newtowndaly GWS Co-op Society		0	11	1	9	81.82%	1	40	56	0	-16	0.00%		
14	Country Markets Limited		1	1,863	-21	-23	-1.23%	12	200	200	0	0	0.00%		
15	Commercial Mushroom Producers Co-op Society		29	213,693	1,276	-41	-0.02%	9,726	10,743	1,839	5,008	3,896	272.32%		
16	IFAC		140	13,040	302	264	2.02%	3,953	15,323	15,323	0	0	0.00%		
17	Irish Horse Board		0	175	3	3	1.71%	0	142	142	0	0	0.00%		
18	FDC		0	315	271	198	62.86%	3,061	3,154	2,750	0	404	0.00%		
19	National Co-op Farm Relief Schemes		13	4,655	74	67	1.44%	157	2,032	2,032	0	0	0.00%		
20	ICS Europaks		26	14,048	1,133	586	4.17%	2,951	3,209	2,736	0	473	0.00%		
21	Irish Charollais Sheep Society Ltd		0	101	25	22	21.78%	1	58	58	0	0	0.00%		
22	FRS Network Amalgamated Co-op Societies Ltd		733	13,771	475	165	1.20%	3,398	6,255	5,745	521	-11	9.07%		
23	Narin Portnoo Rosbeg Community Co-op Society Ltd		0	42	53	14	33.33%	849	900	337	15	548	4.45%		
24	Caravan, Camping & Mobile Home Society Ltd		0	140	-1	-1	0.00%	0	194	194	0	0	0.00%		
25	The Kerry Bog Pony Co-operative Society		0	4	-22	-26	-650.00%	0	7	7	0	0	0.00%		
26	Belgian Cattle Breeding Society of Ireland		1	88	-42	-42	-47.73%	0	25	25	0	0	0.00%		
27	Blackstairs GWS Co-operative Society		2	179	-11	-12	-6.70%	156	447	447	0	0	0.00%		
28	Irish Farm Accounts Co-operative Society Ltd		140	13,040	565	264	2.02%	3,953	15,323	15,323	0	0	0.00%		
29	Sicin Co-operative Society Ltd		0	0	-5	-5	0.00%	0	-1	-1	0	0	0.00%		
30	Unity Co-operative Society		4	92	6	7	7.61%	3	7	7	0	0	0.00%		
Total		111,991	1,392	321,230	5,256	1,710	0.53%	49,727	85,410	80,078	7,622	-2,290	9.52%		

N/A

Not Available
Prior year figure

**

EBITDA
Earnings before interest, tax, depreciation & amortisation

Co-operative Statistics

Fishing Co-operative Societies 2013											Balance sheet €'000			
											Financed by			
Society		Members	Employees (inc part / time)	Total sales	EBITDA	Net profit / (loss) before tax	Net profit / (loss) as a % sales	Tangible fixed assets	Total assets less current liabilities	Shareholders / Members Funds	Bank overdraft / loans & finance leases	Other	Debt / equity ratio	
1	Castletownbere	**	71	50,744	4,341	278	0.55%	5,073	8,950	6,616	397	1,937	6.00%	
2	Galway & Aran	**	8	6,588	-28	-67	-1.02%	722	924	554	185	185	33.39%	
3	Foyle Fishermen's co-op		9	1,453	33	28	1.93%	26	724	891		-167	0.00%	
4	Clogherhead		8	13,606	259	233	1.71%	36	625	625	0	0	0.00%	
	Total	85	96	72,391	4,605	472	0.65%	5,857	11,223	8,686	582	1,955	6.70%	

N/A Not Available

** Prior year figure

EBITDA Earnings before interest, tax, depreciation & amortisation

Summary Co-operative Statistics 2013					
	Total	Dairies	Marts	Fishing	Others
Number of Societies	75	25	23	4	23
Members	222,318	79,721	30,521	85	111,991
Employees	37,071	34,933	650	96	1,392
Trading Performance (€'000)					
Total Sales	14,978,163	14,423,166	161,376	72,391	321,230
Net profit / (loss) before tax	397,136	411,766	-16,812	472	1,710
Net Profit / (Loss) as a % of Sales	2.65%	2.85%	-10.42%	0.65%	0.53%
Balance Sheet (€'000)					
Tangible fixed assets	2,412,339	2,265,549	91,206	5,857	49,727
Total assets less current liabilities	5,219,153	5,008,325	114,195	11,223	85,410
Shareholders / Members Funds	4,193,075	4,030,271	74,040	8,686	80,078
Bank overdraft / loans & finance leases	1,816,144	1,773,603	34,337	582	7,622
Other	-790,066	-795,549	5,818	1,955	-2,290
Debt / equity ratio	43.31%	44.01%	46.38%	6.70%	9.52%

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