



**121st Annual Report &  
Accounts 2015**



# Contents

<b>Presidents Statement</b>	2
<b>CEO Statement</b>	4
Major Developments in ICOS Co-operatives	6
Statistical Summary	6
<b>ICOS Co-operative Business</b>	7
ICOS Dairy Committee	7
ICOS Marts Committee	10
ICOS Rural Business Committee	12
ICOS Brussels Office	13
Member Development	15
Plunkett Institute	15
2015 National Conference	15
The Plunkett Award for Co-operative Endeavour	16
Budget 2016	17
Regulation of Lobbying Act 2015	17
Staffing Changes in 2015	17
Registrations of new Societies & Rule Amendments	17
Irish Foundation for Co-operative Development	18
ICOS Skillnet	19
Pensions	20
<b>ICOS Governance</b>	21
Board, Expert Committees and Representation	22
<b>ICOS Accounts</b>	24
Accounts	27
<b>Co-operative Statistics</b>	38

## Presidents Statement

**2015 was a dynamic year for Irish agriculture, none more so than for the dairy sector. During 2015, ICOS and its dairy co-operative members initiated a range of policy measures the most significant of which were; introducing explicit price support measures for milk; developing a protocol for dealing with the orderly transfer of milk; initiating a working group on environmental matters; expanding the range of fixed price contracts; proposing a taxation initiative to assist in modifying some of the cash flow effects of milk price volatility and the establishment by the Minister of a Dairy Forum.**

### Support for Milk Price & Incomes

Efforts continue by our dairy co-operatives to provide a measure of price support over and above what markets are paying for milk. This demonstrates the unique capacity of the co-operative model to assist its members at times of economic hardship. It also illustrates the vital importance of maintaining farmer owned businesses at the heart of the food chain. The benefits that farmer owned businesses can bring were evident in 2015 and continue in the current year. In 2015, it is estimated that €100 million of the reserves from co-operative balance sheets was used to support milk price. Efforts to support milk price in 2016 continue through the current market downturn. This is the unique strength of the dairy co-operative sector in Ireland, a strength which is looked upon with admiration by overseas observers, particularly in the UK. It is also worth pointing out that the financial support provided by dairy co-operatives to their members in 2015 alone greatly exceeds the combined EU and National Aid of €27 million provided at the of 2015.

Work is also ongoing by ICOS in exploring the feasibility of futures markets and other pricing tools. Such tools have a role to play in assisting dairy farmers in managing the market volatility.

### Orderly Transfer of Milk

The vast majority of milk producers had in 2014 committed to signing a milk supply agreement with their processing co-operative. However, there remained into 2015 a number of suppliers without milk supply agreements, some who sought to transfer their milk supply to



*Martin Keane, ICOS President*

alternative milk processors. ICOS fully recognised the right of such producers to transfer. ICOS was however anxious to ensure that such transfers would be conducted in an orderly manner. This led to the introduction of a Code of Practice for the orderly transfer of milk between milk processors.

The Code allows for a period of time to settle any outstanding trade balances and to deal with any membership or shareholding issue. This established a basis for an amicable and orderly transfer. However, a culture of frequently changing milk purchaser must not develop in Ireland. One only needs to look to Britain to see the damage that can occur. The making of this agreement demonstrates the high level of collaboration and co-operation within the Irish dairy processing sector. During these times of market uncertainty, the sector must be completely focused on creating efficiencies, adding value and delivering the best possible return to dairy farmers.

## Dairy Forum

The inaugural meeting of the Dairy Forum took place on September 29th 2015. A presentation at that meeting projected that in the absence of a significant supply correction, the market could remain very challenging. This has turned out to be the case.

In the current year, the policy issues identified by the Forum include:

- Further development of fixed price offerings
- Developing premium products and markets developing effective hedging tools
- Develop bank loan models linked to milk prices

Some EU countries are seeking the return of milk supply control measures. Strategically, Europe must resist supply controls. Markets will improve over time and we need to be in a position to capitalise on that when it happens, not to be burdened by a culture of supply restrictions.

## Producer Groups

Following Beef Roundtable discussions the Minister for Agriculture, Food and the Marine has introduced legislation permitting the establishment of Producer Organisations (POs) in the beef sector.

The ICOS view in regard to this development is that the establishment of Beef Producer Organisations should be encouraged, but only where clear evidence is available that such new producer groups would be advantageous to producers in the marketplace. The establishment of producer groups must not result in the undermining of the capacity of established co-operative livestock marts to provide its members with marketing services.

Over the last 50 years, the beef processing sector has seen the exit of the co-operative from the industry and now 80% of the national slaughtering capacity is in the hands

of 3 privately owned companies. Recently there have been further adverse changes in the QPS bonus structures and in factory specifications. This has further weakened the capacity of individual producers and livestock marts to challenge the dominance of the meat factories.

There are 30 farmer owned co-operative livestock marts, representing 60 individual sales centres located in almost every county in Ireland. ICOS would contend that, in most parts of the country, producers are well serviced by these businesses that producers already own and control. It is in the meat processors long term interests to genuinely seek a fair and meaningful interaction with livestock producers. Dealing with livestock marts in a manner that will achieve procurement efficiencies that will benefit both the processor and producers, will produce the most efficient and fairest outcome for both parties.

## Conclusion

I would like to pay a particular tribute to the work of Seumas O'Brien, the outgoing chairman of the ICOS Rural Business Committee and of the Irish Foundation for Co-operative Development. Seumas is one of the longest serving members on the ICOS Board and whose associations with ICOS go back as far as his period as President of Macra Na Feirme in the late 1970's. During his tenure as Chairman of the Rural Business Committee, Seumas was diligent in seeking out and promoting opportunities for co-operative development in the rural sphere. He ensured that the profile and interests of non-dairy and mart co-operatives, from group water schemes to farm relief services, were well represented on the ICOS agenda. I believe this work to be very important for ICOS. The trend in the dairy and marts sector is towards greater consolidation, albeit, sometimes at a pace slower than one would wish. Unless, ICOS can develop and establish a wider co-operative presence in the agricultural and rural sphere, its scope to provide services to a reducing number of dairy and mart societies will be less sustainable and ICOS will be forced to narrow the focus of its activities. Seumas's leadership in reviving the ICOS commitment, through the Irish Foundation for Co-operative Development, in promoting co-operative start up's in East Africa must be acknowledged. We wish Seumas well in his future endeavours.



**Martin Keane**  
President

## CEO Statement

**As my tenure as CEO will conclude this July, it may be useful to remind readers of some of the key economic considerations that justify Irish farmers continuing to organise, finance, give leadership and to support their co-operative. The rationale of a co-operative business is to deliver, over the longer term, competitively priced quality goods and services to their members. There are compelling reasons as to why Irish farmers should continue to value and promote co-operative businesses as the most appropriate business structures to protect their interests.**



*Seamus O'Donohoe, CEO*

Our co-operative structures have evolved considerably over the last century. They will continue to adapt to meet the challenges of competition in an increasingly global market place. For the current generation of co-operative leaders, the key challenge will be to organise their co-operative in a manner that allows the members to retain effective control of their co-operative. At the same time co-operatives must deliver competitive goods and services to their members. This will involve a degree of thinking 'outside the box'. Policies may have to be reviewed and structures revised to ensure ongoing member ownership, control, financing and trading commitment. Change is

likely to involve more alliances between co-operatives including in some instances, cross border alliances, to ensure competitive scale of operation.

### **Why a Co-operative Business Model?**

Co-operatives as a business model have been imbedded in the Irish agri-business sector for well over a hundred years. Perhaps this is one reason why many farmers appear to take the existence of their co-operative for granted. There is an abundance of objective evidence available to farmers which states that their economic interests are invariably put at the bottom of the pile in those agri-sectors where they do not have a significant ownership and control stake. The absence, for example of a significant co-operative presence in beef, pig meat and chicken production makes producers vulnerable to becoming 'price takers'. The experience of unsuccessful co-operative organisation in the beef sector by a previous generation of farmers makes it challenging for the current generation of farmers to take the large risks inherent in trying to re-establish a co-operative business presence in that sector.

Without strong farmer controlled businesses in each sector, farmers have to rely on the Government, the EU or investor controlled firms to look after farmers interests.

### **Are Our Co-operatives Taken for Granted?**

Too many co-operative members take the existence of their co-operative for granted. More analysis is required by members to ensure that each co-operative is organised and operating in the optimum manner. Any such analysis must take account of the need to adapt co-operative businesses to the competitive environment in which they operate.

Surplus cash for investment is a scarce commodity, never more so than in the current year. It takes particular foresight and indeed the taking of a long term view for a farmer to recognise the value of investing some of their savings in a co-operative. The challenge for farmers in any sector is to persuade themselves that if they do not invest in the food chain, outside their farm gate, they will be very weak buyers and sellers of goods and services.

### Economic Justification for Co-operatives

There continues to be considerable number of economic justifications motivating farmers to organise co-operatively.

#### Capturing Profits from Another Level

It still remains the case that if farmers believe that firms working upstream or downstream in the food chain are making excess profits, competing with those firms on a co-operative basis is the best way to redress that situation. Farmers as individuals are usually not be able to purchase a meaningful stake. Usually the cost of buying in for one farmer is prohibitive.

#### Security of Supply and Markets

Before milk quotas ended, co-operative processors in Ireland commenced a vigorous communication campaign with their members, promoting the concept of 'milk supply agreements'. Most processors also requested milk suppliers to contribute capital by way of 'sharing up' for investments in stainless steel and market outlets. Despite some initial reservations, most suppliers saw the value of having a secure processing and market outlet for their milk. They also saw the fairness of contributing some of their own capital to the expanded investment requirements of their co-operatives. Milk producers would have been also aware that in the largely investor controlled UK milk sector, many milk producers have been afflicted for a very long time with uncertainty as to whether their milk would be processed and marketed. This has led in turn to a number of producers in the UK being forced to sell their milk at very distressed prices.

In the era of quotas, dairy farmers may have had little reason to see security of outlet as a concern but as dairy enterprise evolves in 'free market' conditions, long term secure access to markets must be a significant strategic concern for all suppliers.



*'Irish Agriculture Nationalised' launch with An Taoiseach Enda Kenny TD*

#### Market Power

Market power is achieved when a firm's product can command a premium over similar products in the marketplace. Arriving at this position for a co-operative usually involves risk, capital investment and a strong R & D capacity. A large scale of operation is required to be able to afford the risk and have the capital and R & D capacity required for co-operatives to exploit market power on behalf of their members. However, even more importantly it requires a long term vision and strong leadership by our farmer board members.

### Conclusion

There should be little debate that the issues explored here still have relevance for Irish farmers. Further analysis is required as to the extent to which our farmer co-operatives are maximising their delivery of these economic benefits. In the context of the less sheltered markets which the next generation of farmers will have to contend with, the need for strong adaptable co-operative structures will be even more important than is the case today.

**Seamus O'Donohoe**  
Chief Executive



## Major Developments in ICOS Co-operatives

### End of Quotas



Introduced in 1984, the milk quota system has greatly influenced the development of the Irish dairy sector and Irish agriculture generally over the last 30 years. On April 1st 2015 the system of supply control in the dairy sector was no more.

### COP 21



One of the greatest challenges the industry faces will be in providing for necessary expansion against the backdrop of a requirement to reduce Greenhouse Gas Emissions. Ireland is currently committed to reducing our emissions to 20% below 2015 levels by 2020. On the basis of current data, our level of agricultural emissions are expected to rise to about 20.4 million tonnes of CO<sub>2</sub> by 2020, about five million tonnes greater than our EU target. In 2015, the 21st meeting of the Conference of Parties (COP-21) was held in Paris. ICOS attended events at the conference to follow developments in relation to the level of ambition to review global climate policy, opportunities to review any agreements, and overall food security and climate finance policy developments.

### Energy Policy White Paper



After 18 months of intensive consultation, the Department of Communications, Energy and Natural Resources published a white paper on Energy Policy. Covering all aspects of energy from fossil fuelled energy to renewable energy, ICOS welcomed the support and commitment to a co-operative, community based renewable energy production model that can contribute to the development of a secure, sustainable energy mix in Ireland. The ICOS Rural Business Committee was an active participant in the development of this policy.

### Orderly Transfer of Milk



In 2015, the transfer of milk suppliers was a major item of consideration for ICOS co-operatives. A Code was developed, which was in the overall interest of both farmers and milk purchasers. A notice period of three months was agreed, which allowed for a period of reflection to milk suppliers, as the choice to move their milk supply is a major decision for any dairy farmer to make.

### QPS Bonus Issues



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 continued to be the ICOS Marts Committee focus in 2015. The meat industry has continually stated that these restrictions are customer led but the Marts Committee sought and received confirmation from all the UK multiples, that their final farm residency requirement for cattle prior to going to slaughter can vary from 20 to 60 days of continuous residency on the last quality assured farm prior to slaughter. No one has 70 days coupled with more than 4 farm residencies. Meat processors have put in place more onerous conditions and these conditions have subverted fair competition for livestock and are ultimately designed to manipulate trade and pricing in Ireland and the UK.

## Statistical Summary

The statistical summary of 80 ICOS members for 2015 in the appendix of this report shows that 2015 should see a combined sectoral turnover of €15.3 billion which is an increase of €400 million on 2014. Total sales in the dairy sector have increased from €13.5bn in 2014 to €14.8bn in 2015. The combined turnover in the Mart sector saw another decrease in 2015 of €128million down from €161million in 2014.



# ICOS Co-operative Business

## ICOS Dairy Committee

TJ Flanagan, Dairy Policy Executive & Eamonn Farrell, Agri-Food Policy Executive



*TJ Flanagan, Dairy Policy Executive*

The ICOS Dairy Committee met six times in 2015 and had a very active and productive year, working across a range of policy areas to improve the prospects for the sector.

In April, Martin Keane resigned as Chairman of the Dairy Committee, having being elected as ICOS President, creating a casual vacancy and following an election, Jerry Long of Drombane Co-operative was declared the new Chairman.

The topics substantially addressed during the year included the following:

### End of Dairy Quotas

On 1st April, 2015 milk quotas that were introduced in 1984, were abolished Europe wide, with the opportunity for increased milk production for Irish dairy farmers.

With growth and opportunity comes new challenges and the challenge faced in growing markets will be tough. Our international competitors, particularly those from the southern hemisphere, benefit from low-cost milk production, on huge farms, processed in a massive scale. However, our efficient grass-based production system, enthusiastic young farmers and the fact that we have

a seasonality curve that almost exactly mirrors that of main competitors should help us to trade profitably in emerging markets.

### Superlevy Instalment Scheme

In February 2015, the European Commission first published proposals to provide for an Instalment Scheme for the deferral of superlevy payments with respect to the 2014/15 quota year. On the final roll-out of the Scheme in June 2015, ICOS and the Dairy Committee worked assiduously to make the process happen and to make it workable at co-operative level. The total amount of levy deferred was €35.588m (out of a €71m superlevy bill) and Department of Agriculture, Food and the Marine are expecting receipt of the first tranche of €3.559m from the milk purchasers by 30th May 2016 and an equal amount on 30th June, July, August and September 2016 and a similar 5 months in 2017. There are almost 3,750 milk suppliers in the Scheme, over 1,000 of whom have a total deferred liability of greater than €10k each.

### Protocol for the Orderly Transfer of Milk Supplies

The ICOS Dairy Committee devoted a huge amount of energy to the development of a protocol, which could provide for the orderly transfer of non-contracted milk supplies, by farmers who wished to switch purchaser. Using the 3 month notice model which farmers would have been familiar with from the quota era, the protocol, supported and adopted by all ICOS members, provides for a 90 day notice period to be given to a milk purchaser, in the event that a non-contracted milk supplier wishes to switch purchaser. The protocol requires the intending departing supplier to sign a form to that effect, and for that form to be delivered to the existing purchaser by the new purchaser, with the new purchaser undertaking not to commence milk collection for at least 90 days.

### 555 Income Stability Tool

Dairy Committee Chairman, Jerry Long, took strong ownership of the process of delivering on an income stability tool which could deliver real benefits to family farms by stabilising their after-tax income. The existing



5-year income averaging tool fails to provide income averaging, as it simply levels out the tax-bill, thereby exposing a farmer to a very large tax bill in a poor year which happens to follow two stronger years (as has been the typical experience of volatility over the past decade). The measure was designed, in the first instance, to improve upon the 5-year income averaging provision for farmers which was introduced in Budget 2015. It provides for farmers, who are participating in 5-year averaging, to defer up to 5% of their milk income, to be retained in a secure fund within their co-operative, and draw it down during periods of lower prices (or any time up to 5 years) and pay tax on drawdown.



ICOS is proposing that if the farmer decides to defer a portion of their income, it should be retained by the co-operative in a secure fund. We have suggested that the funds be retained as loan stock as this affords them a higher level of security than a simple creditor balance, although we are open to discussing any appropriate structure. ICOS has called on the Government to agree to support the development of income stability tools such as the 555 ICOS proposal.

The Committee and its Chairman are currently actively promoting the measure to seek to have such an option developed in time for consideration for budget 2017, in October.

## Dairy Forum

The Chairman, together with the President, and two of the executive team represented ICOS at the inaugural meeting of the Dairy Forum in late September. The Forum achieved some consensus as to the difficulties facing the sector, particularly the fact that the full extent of the crisis would not be felt until early to mid-2016. The Chairman strongly emphasised the extent to which co-operatives had supported milk prices in 2015, with the support thought to exceed €100m for the full year. The Forum agreed that a basket of measures, including fixed price schemes, futures markets, and income deferral options needed to be implemented, with co-operatives across the country already having done huge work with respect to fixed-price options for farmers. It was following this meeting that the ICOS Dairy Committee resolved to seriously address income deferral options which would deliver tangible benefits to farmers, while complying with national and EU rules.

## FoodWise 2025

The Committee worked closely with the President, Martin Keane, the ICOS representative on the FoodWise 2025 Committee, to ensure that the eventual outcome of the group's work was appropriate to the needs of the sector.

## Land Mobility

The Dairy Committee met with representatives of the Land Mobility Scheme and organised two briefing sessions with co-operative advisory staff on land mobility options, particularly in the context of positive changes in the previous budget. The Committee also examined and sought to address structural issues regarding the payment for milk and the operation of trading accounts

## Farm Safety



The Dairy Committee actively collaborated with FBD in endorsing and supporting the Farm Safety message through the 'Champions for Change' campaign. As part of this campaign, every dairy farmer who supplies an ICOS member was sent a farm safety pack which included promotional materials and a focussed message around the need to change the way we work on farm. Co-operatives also erected 'Champions for Change' signs at branches to provide a constant reminder to busy farmers that accidents can easily happen and the consequences can be unthinkable

## IMQCS

Established in 1989, the Irish Milk Quality Co-operative Society (IMQCS) is dedicated to the improvement of



Mr. Eamonn Farrell, ICOS Agri Food Policy Executive.

milk quality by achieving the highest possible standards in the installation, servicing and testing of milking machines. In recent years, IMQCS has focussed on broader areas of milk quality as well as providing training and certification of milk machine technicians. The

IMQCS Committee, which directs the work of the Society, is comprised of representatives from the dairy co-operatives, milking machine technicians, milking machine manufactures and Teagasc.



ICOS provides a Chairman and Secretary to the IMQCS. Mr. Jerry Long from Drombane Co-operative and the ICOS Dairy Committee Chairman is the current Chairman of the Society.

Mr. Eamonn Farrell, ICOS Agri Food Policy Executive was appointed Secretary, following the retirement of Mr. George Kearns in 2015.

## Climate Change

Public policy in relation to climate change is developing rapidly at National, EU and UN levels. In 2015, over 195 countries agreed an historic global agreement on climate change in Paris (COP-21). At the ICOS National Conference in November, guest speakers including John FitzGerald, Head of the Government's Advisory Committee on Climate Change; Tom Arnold (IIEA) John Muldowney (Department of Agriculture, Food and Marine) and Harold Kingston (IFA) discussed the issue of climate change and Irish agriculture in great detail.



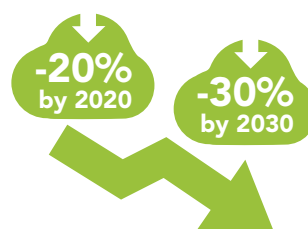
In 2015, ICOS made several submissions to the Irish Government and the European Commission on the issue of climate change. Within these submissions, ICOS emphasised the carbon efficiency of Irish agriculture, measured as the best in Europe by the EU's Joint Research Council, the importance of accounting for

carbon sinks within the scope of future legislation, the need to recognise the challenge of global food security, considering global population projections and the need to equip farmers with appropriate resources and support to implement technically feasible mitigation measures at farm level.

## Environmental Policy

At farm level, great advances in terms of productivity, efficiency and milk quality have been made over recent years. Despite the sustainability credentials of Irish agriculture being second to none, with Irish dairying considered the most carbon efficient in Europe, the Irish agri-food sector is under intense pressure to make continuous reductions in its Green House Gas (GHG) emissions. This has led to question marks over our legitimate aspiration to increase milk production following the abolition of quotas.

The agreement on climate change reached in Paris before Christmas has established a new approach whereby countries throughout the world have committed to continuous and progressive reductions in GHG emissions. While, the Paris agreement seeks to reduce GHG's in a manner that does not threaten food production, it requires developed countries to continue down a path



of undertaking economy wide emission reduction targets. At EU level, Ireland is legally obligated to reduce its GHG emissions across the non-traded economic sectors by 20% under 2005 levels by 2020 and by 30% in 2030.

The ICOS Board having carefully considered the matter over the last year and having held a series of consultations, workshops and conferences on this theme, established a working group to develop a set of industry specific recommendations. Our objective in establishing this working group are:

- To put forward the strongest possible case that Irish agriculture is capable of playing a leading role in supplying sustainably produced food to feed a growing global population
- To establish a clear set of recommendations for government and state agencies to assist our co-operatives in their efforts to help our farmer members to understand and implement GHG mitigation measure

## ICOS Marts Committee

Ray Doyle – Livestock and Environmental Services Executive



Ray Doyle.

2015 will be remembered as being the year milk quotas were finally abolished finally allowing dairy farmers the freedom to expand as much as they or their bank wanted them to. This had a positive effect in the marts also as during the first half of 2015, co-operative marts, in the south and east of the country in particular, saw significant increases in dairy bred livestock of all classes, but especially calves coming through the auction process. This was undoubtedly assisted by the removal of the requirement for pre movement brucellosis testing which significantly increased the sale of both suckler and dairy type cull cows through the marts.

In 2015, the ICOS Marts Committee also worked on a series of policy and regulatory issues that had impact on all marts and mart members.

### Producer Organisations

The ICOS Marts Committee made several contributions to the new producer organisation legislation that was introduced during 2015. The Marts Committee fully supported the concept of the producer organisation being of benefit to smaller farmers in negotiating with meat processors but the local co-operative mart has always delivered the collective bargaining power of a producer organisation to all livestock farmers for the last 60 years and any new organisations must not conflict with this.

### Beef Roundtable

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

At the various meetings of the forum, the ICOS Marts 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.

### ICOS AEMB Conference

The Annual General Meeting and 31st Annual Conference of the European Association of Livestock Markets (AEMB) took place at the Hodson Bay Hotel, Roscommon, hosted by Association President, Michael Spellman, Chairman of ICOS Marts Committee.



Seamus O'Donohoe, ICOS CEO; Michael Spellman, AEMB President & ICOS Vice President; Phil Hogan, EU Agriculture Commissioner and Martin Keane, ICOS President at the European Association of Livestock Markets (AEMB) Annual General Meeting and Conference in Athlone.



Ray Doyle, ICOS; Martin Keane, ICOS President; Mairead McGuinness MEP and Michael Spellman, AEMB President & ICOS Vice President; at the European Association of Livestock Markets (AEMB) Annual General Meeting and Conference in Athlone.



The AEMB works to defend and promote the role of the livestock markets at international and EU level and the organisation is as relevant and needed in 2015 as it was in 1983 when it was founded despite the challenges having changed in this time.

The conference was addressed by: European Agriculture Commissioner - Phil Hogan, Bord Bia CEO - Aidan Cotter, Managing Director of Kepak Group - John Horgan, Senior Superintendent Veterinary Inspector, Department of Agriculture, Food and Marine - Michael Sheahan, Irish Farmers Journal - Darren Carty and Chaired by Justin McCarthy, Editor of the Irish Farmers Journal.

Delegates attended from Bulgaria, Spain, France, the Netherlands, Belgium, Scotland, Wales, England and Northern Ireland.

### Sheep Electronic Identification (EID) Submission

The ICOS Marts Committee supported the full introduction of EID for all sheep movements at a meeting with the Department of Agriculture, Food and the Marine during 2015. This would result in all sheep being EID tagged on leaving their holdings of origin, with at least one EID tag. ICOS marts would provide full critical control point designation in order to provide farmers with a full EID tag reading service, which can be used by farmers as part of their herd register, if this is adopted in 2016. This service will greatly ease the burden of sheep EID for farmers and marts alike.

### Grant Aid for New Mart Display Boards

The Marts Committee met with the Minister and his officials and attained grant aid for all ICOS marts regarding the installation of new mart display boards. Many marts will require upgrades of their display boards in order to transmit valuable data regarding the new Beef Data Genomic Programme and the ICOS Marts Committee secured this grant aid for our members and is being delivered in 2016.

### Mart Insurance

General mart insurance rates increased for the entire country during 2015 but many marts saw their insurance premiums rise by more than 100%. The Marts Committee has met with two of the larger insurers of the mart sector and is currently investigating the feasibility of an ICOS marts group scheme to try and decrease insurance costs for ICOS marts.

### Internet Based Trading Update

The Marts Committee supported the development of new internet based selling additions to the current auction

mart process. Several companies demonstrated their potential new ideas that will enhance the marketing of livestock at ICOS marts. Mayo/Sligo Mart in Ballina was the first ICOS mart to introduce internet based selling of cattle in Ireland and other marts are now actively considering introducing some form of electronic bidding during 2016.

### ICOS/Irish Farmers Journal Health Initiative

ICOS Marts Committee joined forces with the Irish Farmers Journal, The Irish Cancer Society and Movember during 2015 to promote health checks for farmers in six ICOS marts in Roscommon, Raphoe, Ennis, Kilkenny, Castleisland and Fermoy during November. Over 200 free health checks were carried out and almost €20,000 was raised for The Irish Cancer Society. Importantly, it raised awareness of all health issues for Irish farmers and the results showed poor health awareness in many areas around the country especially on mental health, heart disease and diabetes.



Glanbia delegates Liam Herlihy, Martin Keane, ICOS President and Henry Corbally at the ICOS agm in Portlaoise.



Lakeland Dairies delegates Sean Finnegan, Alo Duffy, Sean Glennon and Gerard Melia at the ICOS agm in Portlaoise.

## ICOS Rural Business Committee

**Siobhán Mehigan – Co-operative Development Executive**



*Siobhán Mehigan.*

The ICOS Rural Business Committee, made up of 12 representatives, spans the entire membership of ICOS with the three pillars of the organisation, dairy co-operatives, livestock marts and rural business co-operatives all having representatives on the committee. The Committee

drove activity in a wide variety of sectors working towards promoting the co-operative model as viable, flexible and sustainable model of rural enterprise development to enterprises, communities and their support agencies.

This promotional work is completed through representation on local and national structures which act in sectors with co-operative potential. Secretary to the Rural Business Committee, Siobhán Mehigan, focused on promoting the co-operative structure to agencies like Bord Bia, Enterprise Ireland, SEAI as well as LEADER companies and Local Enterprise offices to highlight its uses and how it can help develop sustainable rural economies. This work

was further cemented through organising workshops and events to help interested groups understand the co-operative legal structure and in the participation in conferences and seminars to promote the model.

The Committee also made several submissions on national policy, which effect the rural co-operative sector. These were furthered by making submissions to Government Departments on the following topics:

- i. Department of Environment, Community and Local Government on Community Development Framework
- ii. Further engagement with the Department of Communications, Energy and Natural Resources on the inclusion of energy co-operatives in the Energy White Paper
- iii. Engagement on behalf of forestry producer organisations to the Department of Agriculture, Food and Marine on the development of the forestry development programme
- iv. Proposals from the Rural Business Committee on the development of a Renewable Heat Incentive and Renewable Electricity support Scheme submitted to the Department of Communications, Energy and Natural Resources
- v. Contribution to ICOS submission to the Department of Agriculture, Food and Marine on the role forestry producer organisations can play on Green House Gas Mitigation in the Agricultural Sector
- vi. Contribution to the ICOS Pre Budget submission on Rural Co-operative Business sectors

As is outlined in the section of this report below, this work is yielding results with an increase in registrations of new societies seen in 2015. The work of the Committee is proving fruitful in particular in the renewable energy and social enterprise sectors, where the co-operative model is widely recognised as being the optimum structure for community led enterprise initiatives.



*Siobhán Mehigan, Seumas O'Brien, Lennart Ackzell (Federation of Swedish Family Forestry Owners) and Karsten Raae (Danish Forestry Extension) at the Forestry Producer Organisation Workshop, March 2015.*

# ICOS Brussels Office

Conor Mulvihill – European Affairs Executive

**2015 was another busy year in the ICOS Brussels office with major policy issues like dairy market volatility and anti-competitive practices in the beef sector dominating the work of the office.**



Conor Mulvihill.

Dairy market volatility dominated the Brussels agenda in 2015. ICOS, together with like-minded organisations within COPA-COGECA, worked hard to put forward practical and workable solutions to ease the cash flow difficulties facing EU dairy farmers and their co-operatives.

Key to our lobbying efforts was the development of a 10 point plan, including short and long term measures such as the introduction of greater flexibility in the Private Storage Aid and Intervention instruments. We are pleased that the majority of the measures put forward by ICOS were adopted by the European Commission and EU Farm Ministers.

ICOS presented our 10 point plan at a high level meeting with EU Commissioner for Agriculture and Rural Development, Phil Hogan in Brussels attended by Martin Keane, ICOS President and Jerry Long, ICOS Dairy Committee Chairman.

ICOS also engaged heavily with European Commission officials to ensure the adoption of the legal instrument introducing the super levy instalment scheme.

In 2015, ICOS attended several meetings of the Economic Board of the European Milk Market Observatory (EMMO). Since its inception, the EMMO has provided a range of market data information to stakeholders, which ICOS believes should be further strengthened into the future.



The possibility of BREXIT, arising from a referendum in Britain on their future status within the EU continues to be a key issue followed by ICOS. In 2015, ICOS engaged with the farm and co-operative representative bodies in England, Wales, Scotland and Northern Ireland, emphasising the need to ensure that trade between Ireland and Britain is unaltered by any political change that might arise.

The Brussels office facilitated activity of the ICOS Marts Committee in pursuing change in labelling practices of European supermarkets. Ray Doyle from ICOS along with representatives from the LAA (Livestock Auctioneers Association) and the IAAS (Institute of Auctioneers and Appraisers in Scotland) met with Philippe Chauve from DG Competition to further highlight the anti-competitive measures that meat factories are engaging in.





In September 2015, farmers from around the EU landed in Brussels to take part in a protest. The purpose of the demonstration is to respond to the drastic situation hitting EU Agri markets across Europe and the relative slow response by Agri Ministers and the Commission to react to same and ICOS Marts committee representatives participated to highlight the impacts being felt by Irish farmers.

The work of the ICOS Marts Committee is being further supported with the ongoing chairmanship of the AEMB being held by ICOS Vice President, Michael Spellman.

The promotion of the co-operative model as a sustainable vehicle for rural development was also a prominent feature of the work of the ICOS Brussels office and this was supported with the representation of the Chair of the ICOS Rural Business Committee, Seumas O'Brien taking up his position as COPA COGECA representative on the overall EU LEADER Steering group in 2015.

An important priority for ICOS in Brussels is the delivery of EIB backed loans for farmers and rural business following political commitments by the European Commission. This is a key strategic issue for ICOS from an EU policy perspective.

## ICOS Representation on Brussels Based Committees

Representation Topic	COGECA	EU Standing Committee
Cogeca Presidium	Martin Keane & 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	



*Pictured above: An Taoiseach Enda Kenny TD with Michael Spellman, AEMB President & ICOS Vice President at the 'Irish Agriculture Nationalised' launch.*

*Pictured right: Seamus O'Donohoe, CEO with An Taoiseach Enda Kenny TD.*



# Member Development

## Plunkett Institute

In 2015 the Plunkett Institute began providing training to Co-operative Directors and members of representative structures, as well as designing development and induction programmes for directors, and for members of regional advisory committees.



During the past year, formal presentations have been made to the boards of around a dozen larger societies, and those Boards have subsequently agreed to sign up as members of the Institute. In addition, autumn 2016 will see the rollout of the first round of Continuing Professional Development (CPD) training programmes, with courses being offered to members in a range of technical disciplines such as Finance for Non-Financial Directors, Business Administration, Company/Co-operative Law, Taxation, Audit Committee, Internal Audit, and Risk Management. Other areas of training include modules such as Investment Appraisal, Business Continuity, Change Management, Project Management and Communications.

The Institute will also recognise or procure expert training in any other relevant topic, as requested by co-operative or Institute members.

## 2015 National Conference

The enhancement of co-operative enterprises to promote Better Farming, Better Business and Better Living, on a long term and sustainable basis, was addressed at the 39th ICOS Conference which was held in the Convention Centre Dublin on Tuesday, 3rd November 2015.



The Conference examined the challenges and opportunities facing co-operative producers in an increasingly globalised marketplace. It was opened by EU Agriculture Commissioner Phil Hogan and addressed by speakers including economist Professor John FitzGerald, David Christensen (UK Dairy farmer and member of the Board of Governors of Arla Co-operative) and Dr. Sean Brady, (Chairman of the Golden Jubilee Trust and former Chairman of Food Harvest 2020).





Nearly 200 delegates from ICOS co-operative members and interested individuals participated in discussion on based on the slogan of ICOS founder, Sir Horace Plunkett. The discussion was broken down into the following panels:



Environmental sustainability – Better Farming: How can our agricultural co-operatives work with their members to ensure the sustainable intensification of Irish agriculture and to preserve the sector for generations to come?



Economic Sustainability – Better Business: How can co-operatives increase member understanding, engagement and loyalty in the business of the co-operative and how

can newly established co-ops learn from the lessons of well-established co-operatives in developing a loyal membership?

Social Sustainability-Better Living: Co-operatives as community based enterprises are not consistently engaging successfully with their members. Women and young people are not equally represented in co-operative structures – how should the co-operatives change their culture & customs to be more representative organisations?

## The Plunkett Award for Co-operative Endeavour



The outstanding lifelong contribution to the Irish co-operative movement by the former Chairman of Avonmore and Glanbia Co-operatives, John Duggan, was recognised nationally by the industry's highest national honour - The Plunkett Award for Co-operative Endeavour. As the Chairman of Avonmore Co-operative and PLC, John Duggan was instrumental in the formation of Glanbia Co-operative through the amalgamation of Avonmore and Waterford Co-operatives in 1997, following which he was elected as its first Chairman, a position he held until 2000. He retired from the Board of Glanbia in 2001. During all of his period as Chairman of Avonmore and subsequently Glanbia, he served not just on the Board but also on the Council of the Society, the South Tipperary Regional Advisory Committee and the Drangan Area Advisory Committee. Mr. Duggan has served with distinction on bodies at national level including ICOS, Bord Bia, Teagasc, FBD PLC and numerous Department of Agriculture advisory committees.



Presenting the award ICOS President Martin Keane said, "John Duggan is a true visionary, who in the pursuit of excellence devoted an enormous proportion of his life and energy to the co-operative movement for the betterment of fellow farmers and Irish farming in general."

## Budget 2016

ICOS President, Martin Keane attended a National Economic Dialogue (NED) meeting organised by the Government in July 2015. The NED meeting discussed the priorities of the Government in advance of Budget 2016. Subsequently, ICOS submitted a pre-budget submission outlining our priorities across a range of areas including dairy income volatility, recognition for farmers who invest in their co-operative, tax relief to support best practice in environmental sustainability, recommendations concerning the system of collection of tax in relation to non-executive directors/committee members, transfer of audit exemption to small co-operatives and the Implementation of incentives towards clean, green electricity and heat production.

## Regulation of Lobbying Act 2015

The Regulation of Lobbying Act 2015 came into effect on 01 September 2015. ICOS is registered and in full compliance with the requirements of the Act. Prior to the introduction of the Act, ICOS organised an information briefing for member co-ops on the main provisions of the legislation.



## Staffing Changes in 2015/2016



Sean Myers.

Our colleague in the Cork office **Sean Myers** retires this year. He continues to be available to ICOS for a period to assist our newest colleague **James Doyle** acquire some portion of the vast knowledge of co-operative organisation, governance and development that Sean has acquired over 38 years working with ICOS. Over that time Sean has provided invaluable and expert guidance to co-operative boards and management on all sorts of co-operative related issues but most particularly he has been the 'go to person' for

expert advice on the drafting and interpretation of co-operative rules. We wish Sean a very happy and productive retirement.

**Eamonn Farrell** joined ICOS in May 2015 as Agri-food Policy Executive. Eamonn is an agricultural graduate with extensive experience of EU policy matters having worked in Brussels in a consultancy capacity and as assistant to Pat "the Cope" Gallagher, MEP.

**George Kearns** our long standing colleague in ICOS and our foremost quota management expert, completed a tenure where he had been acting as a consultant for ICOS on quota and other milk related matters. We wish George and his wife Mary a long and happy retirement.

In December, **Conor Mulvihill** advised the Board that he was resigning after a five year tenure as European Affairs Executive. Conor served the organisation ably in Brussels, building up an extensive network of contacts for ICOS and ably represented ICOS on a wide range of policy issues to Commission, Parliament and Cabinet as well as maintaining a very active Twitter and general communication feed of information to all of our co-operatives. We wish Conor well in his future career.

## Registrations of new Societies & Rule Amendments

18 new societies were registered by ICOS in 2015. This is an increase of registrations from 2014 and building on the work being done in the promotion of the co-operative model by the Rural Business Committee.

The co-operative model is being more widely recognised as a mechanism for community development with the new registrations in sectors such as community co-operative shops, renewable energy co-operatives and community tourism co-operatives being a significant portion of these new registrations.

In addition to new registrations, ICOS also assisted four member societies in complete amendments of their co-operative rule books and nine societies with partial amendments of their co-operative rules.



## Irish Foundation for Co-operative Development

# Irish Foundation for Co-operative Development

Irish farmers through their co-operatives have been supporting the development of new co-operatives in developing countries in the area of Value Addition. Currently, IFCD are working with seven co-operatives in the following sectors: milk, mangoes, rural tourism, micro finance and irrigation. In 2015, the following projects were approved and implemented by the Board of IFCD.

### Wakarimu Savings and Credit Co-operative Ltd

Wakarimu Savings & Credit Co-operative was established in 1989 to help poorer members of the community save and invest in their futures. The members are mostly lowly paid workers that don't have access to saving or credit facilities. Once members have established a credit history, they can then access loans for animal feeds, school fees, house construction, emergencies and home items such as fridges, cookers, televisions and so on.

IFCD became involved with the group four years ago. The group were looking for an income generating activity that could boost their core business of lending to members. They came up with the idea of bottling water.

They are in an area where clean water is expensive to buy locally and often not readily available to ordinary people without some sort of borehole. After long discussions and proposals from the group, IFCD agreed to partially fund a water bottling plant. The plant is primarily to supply clean water for members but the idea has developed into the possibility of selling water commercially.

It was agreed that the co-operative would complete building of the plant and that at that stage IFCD would contribute towards the purchase and installation of water bottling equipment and the subsequent training of staff. The plant structure was completed in late 2015 and passed all the required public works and public health certifications. IFCD have signed contracts with the co-operative to fund €20,000 towards this project.

One of the many interesting and very commendable activities of this group is that it runs a school for displaced children who were abandoned following the genocide during the 2007 elections.

### Kapkuikui Honey Producers Group

This project showed how even the remotest areas can have a thriving business. Honey producers in the dry area of Begoria have traditionally collected honey for use in the house and more recently for sale.

IFCD constructed a purpose built processing and training centre to help local farmers process and package their honey for sale. The group are now selling honey into the stores in the neighbouring cities. The facility assisted them in marketing the product and involves jarring, labelling and packing the honey for distribution. The honey now meets the Kenyan quality and labeling standards.

IFCD spent €19,000 on this project

### Rongai Dairy Co-operative

Small holder dairy farmers in Rongai had been bringing milk to a collection centre where the milk was transported to larger facilities. The farmer received only a fraction of the potential price. In an interview with IFCD board members, the farmers were asked if were they rich, they answered yes. The question was rephrased "how many cows on average do they have?" The answer was "Two". This just shows how little in Irish terms can mean so much in Africa.

IFCD partially funded (€19,500) the building of a processing plant which allowed the group to chill larger volumes of fresh milk. This increased the price of milk from €0.23 per litre to €0.35 per litre.

The group have attracted interest from other NGOs working in the dairy industry such as Heifer International.



# ICOS Skillnet



Irish Cooperative Organisation Society

ICOS Skillnet had another busy year in 2015 training with 2,488 participants involved in training courses that were held over 14,150 training days. This was an increase on what was initially planned by the Skillnet and increased funding was sought and awarded to meet the demand for training.

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 11 members on the Committee representing a broad range of agricultural co-operative businesses within the network sector.

The ICOS Skillnet received approval and co-funding based on a detailed proposal which set out specific Key Performance Indicators (KPI's) in terms of numbers to be trained, days training and training courses to be delivered with associated outcomes and impacts.

This level of financial commitment underscores the Network-wide appetite for on-going learning opportunities.

It also reflects the extent to which senior decision makers within the co-operative businesses are harnessing the ICOS Skillnet as a value for money learning platform.

## ICOS Skillnet Statistics 2015

Indicator	Target	Actual	% Achieved
No of Learners	1,093	2,488	228%
No. of Training Days	4,985	14,150	284%
Types of Training	53	77	145%
No of Separate Events	143	339	279%



Brenda Flood, ICOS Skillnet with Andy Boylan and Frank McConnon, Sicín Co-op at the ICOS agm in Portlaoise.

An independent review carried out with member companies to assess the extent to which participating co-ops felt that impact was being achieved in terms of business impact and strategic and operational areas of their businesses.

## Other Developments

- A Free online Training Platform was developed and made available to all our member co-operatives and their staff and share-holders
- Development of Industry lead programmes
  - Family Inclusion Programme
  - Management Development Programme
- Shortlisted to top eight for "Best Learning & Development Organisation" in the Category Networks & Groups at the IITD Awards
- Funding secured for a further 2-year period, including a 55% increase in Grant aid

In conclusion, the ICOS Skillnet has continued to perform very well during 2015 while continuing to make very good progress in terms of the stated objectives of the network.

## Pensions

ICOS Ltd is the registered 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:

- Combined membership of the two schemes comprises around 700 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 €1.3 million
- Co-operative employer contributions came to €2.5 million
- Assets under professional management amounted to €180 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 €5.2 million
- Lump sums paid to new pensioners and dependants of deceased members totalled €1.2 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-ops. It also manages the other professional inputs into the schemes from actuaries, investment firms, insurers, legal advisors and audit services.

During 2015, in the light of difficult conditions for all defined benefit schemes in the country, both schemes received restructuring approval from the State regulator. During this process, over 6,000 consultative/information letters have been distributed from ICOS and in excess of 1,000 personal enquiries have been received from membership.





## ICOS Representation on other bodies

### Plunkett Institute

Mr Martin Keane	President, ICOS Ltd.
Mr Michael Spellman	Vice President, ICOS Ltd.
Mr Seamus O'Donohoe	CEO ICOS Ltd.
Mr Alo Duffy	Board Member ICOS Ltd.
Mr Eamonn Looney	Dairygold Co-Operative Society Ltd.
Mrs Mary McCarthy Buckley	University College Cork (UCC)

### Dairy Forum

Mr Martin Keane, Mr Jerry Long, Mr Seamus O'Donohoe, Mr TJ Flanagan

### Beef Forum

Mr Martin Keane, Mr Michael Spellman, Mr Seamus O'Donohoe, Mr Ray Doyle

### Irish Foundation for Co-operative Development Ltd

Mr Seamus O Donohoe	CEO ICOS Ltd.
Mr Seumas O'Brien	IFAC Ltd.
Mr Michael O'Donnor	Kerry Co-operative Creameries Ltd.
Mr Alo Duffy	Lakeland Dairies Co-operative Society Ltd.
Mr Jim Russell	Centenary Thurles Co-operative Society Ltd.

### Golden Jubilee Trust Limited

Mr Martin Keane	ICOS Ltd.	Mr Michael Spellman	ICOS Ltd.
Mr Liam Williams	ICOS Ltd.	Dr Sean Brady	Consultant
Dr Noel Cawley	Chairman Teagasc	Ms Siobhán Collier	Partner, PWC

### Irish Co-operative Society Pension Scheme

Mr Padraig Gibbons, Mr Richard Donovan, Mr Sean Monahan, Mr Seamus O'Donohoe

### Dairy Executives Pension Scheme

Mr Peter Fleming, Mr Ben Cottrell, Mr Brian O'Dowd

### Dairy Research Trust Board

Mr Padraig Gibbons, Mr Jerry Long, Mr TJ Flanagan

### 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 Milk Agency

Mr T.J. Flanagan

### National Economic & Social Council (NESC)

Mr Seamus O Donohoe

### Central Statistics Office (CSO)

Mr Seamus O Donohoe

### FoodWise 2025

Mr Martin Keane

### Farmers Charter

Mr Seumas O'Brien



ICOS Board members

## ICOS Board

Padraig Gibbons	Aurivo Co-operative Society Ltd
Jim Russell	Centenary Thurles Co-operative Society Ltd
Liam Williams	Clare Marts Ltd
James Lynch ( <i>Replaced Bertie O'Leary, Dairygold Co-operative Society January 2015</i> )	Dairygold Co-operative Society Ltd
Jerry Long	Drombane Co-operative Society Ltd
<b>Martin Keane (President)</b>	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
Sean Monahan ( <i>Replaced John Ahern, North Cork Co-operative Society June 2015</i> )	Arrabawn Co-operative Society Ltd
<b>Michael Spellman (Vice-President)</b>	Roscommon Co-operative Livestock Mart Ltd
Dermot O'Leary ( <i>Replaced Donal Tobin, Ornua Co-operative Society Ltd. September 2015</i> )	Ornua Co-operative Society Ltd
Richard Donovan ( <i>Replaced Matt Quinlan, Tipperary Co-operative Creamery Ltd. June 2015</i> )	Tipperary Co-operative Creamery Ltd

## Dairy Committee

Sean Monahan ( <i>Replaced John Ahern, North Cork Co-operative Society June 2015</i> )	Arrabawn Co-operative Society Ltd
Robert Shannon	Lisavaird Co-operative Creamery Ltd
Michael Coleman	Barryroe Co-operative Ltd
Dominic Cronin ( <i>Replaced Danny Collins July 2015</i> )	Boherbue Co-operative Agricultural and Dairy Society Ltd
Jim Russell	Centenary Thurles Co-operative Society Ltd
Padraig Gibbons	Aurivo Co-operative Society Ltd
James Lynch ( <i>Replaced Bertie O'Leary, January 2015</i> )	Dairygold Co-operative Society Ltd
Martin Keane	Glanbia Co-operative Society Ltd
<b>Jerry Long (Chairman)</b>	Drombane Co-operative Society Ltd
Dermot O'Leary ( <i>Replaced Donal Tobin, September 2015</i> )	Ornua Co-operative Society Ltd
Michael O'Connor	Kerry Co-operative Creameries Ltd
Martin O'Keeffe	North Cork Co-operative Creameries Ltd
Richard Donovan ( <i>Replaced Matt Quinlan, June 2015</i> )	Tipperary Co-operative Creamery Ltd
Andrew McConkey	LacPatrick Co-operative Society Ltd
Alo Duffy	Lakeland Dairies Co-operative Society 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
<b>Michael Spellman (Chairman)</b>	Roscommon Co-operative Livestock Mart Ltd
Gerry Hoade	Tuam Co-operative Livestock Mart Ltd
Tom Doyle ( <i>Replaced Liam O'Byrne May 2015</i> )	Wexford Farmers Co-operative Society Ltd

## Rural Committee

Michael Coleman	Barryroe Co-operative
Jimmy Roche	Castleisland Co-operative Society Ltd
Liam Williams	Clare Marts Ltd
Gerry Reilly	Commercial Mushroom Producers Ltd
Jerry Long	Drombane Co-operative Society Ltd
James Kane	Irish Farm Accounts Co-operative Society Ltd
<b>Seumas O'Brien (Chairman)</b>	Irish Farm Accounts Co-operative Society Ltd
James O'Donnell	National Co-operative Farm Relief Services Ltd
Joe Harte ( <i>Replaced by Teddy Cashman, IFAC Ltd October 2015</i> )	National Federation Group Water Schemes Society Ltd
Paddy Ward	National Federation Group Water Schemes Society Ltd
Michael Spellman	Roscommon Co-operative Livestock Ltd
Richard Donovan	Tipperary Co-operative Creamery Ltd

# Irish Co-operative Organisation Society Limited

## Statement of the Society's and the Board's 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 FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of 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 Irish Co-operative Organisation Society Limited ('the Society') for the year ended 31 December 2015 which comprise the statement of profit and loss account and other comprehensive income, the balance sheet, the statement of changes in equity, the cash flow statement and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland

## Opinions and conclusions arising from our audit

### 1 Our opinion on the financial statements is unmodified

In our opinion, the financial statements:  
give a true and fair view of the state of affairs of the Society as at 31 December 2015 and of its surplus for the year then ended; and  
have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

### 2 Our conclusions on the other matter on which we are required to report by the Industrial and Provident Societies Act 1893 is set out below

As required by section 13(2) of the Industrial and Provident Societies Act 1893, we examined the balance sheets showing the receipts and expenditure, fund and effects of the society, and verified the same with the books, deeds, documents, accounts and vouchers relating thereto, and found them to be correct, duly vouched, and in accordance with law.

### 3 We have nothing to report in respect of matters on which we are required to report by exception

ISAs (UK & Ireland) require that we report to you if, based on the knowledge we acquired during our audit, we have identified information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.

## Basis of our report, responsibilities and restrictions on use

As explained more fully in the Statement of Society's and the Board's Responsibilities set out on page 2, the Board is responsible for the preparation of the financial statements and for being satisfied that they give 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.

An audit undertaken in accordance with ISAs (UK & Ireland) 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's 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.

## **Independent auditor's report to the members of Irish Co-operative Organisation Society Limited - continued**

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.

Whilst an audit conducted in accordance with ISAs (UK & Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expense as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of the accounting and reporting.

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



**Colm O'Sé**  
**for and on behalf of**  
**KPMG**

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

28 April 2016

## Irish Co-operative Organisation Society Limited

# Statement of profit and loss account and other comprehensive income

for the year ended 31 December 2015

	Note	2015 €	2014 €
<b>Turnover</b>	2	<b>1,886,997</b>	1,899,015
Payroll costs	3	<b>923,412</b>	895,949
Travel and services	3	<b>326,953</b>	263,898
Other overheads	3	<b>387,256</b>	318,793
Finance costs	3	<b>14,699</b>	18,192
		<hr/>	<hr/>
<b>Surplus for the year before state grant and taxation</b>		<b>234,677</b>	402,183
State grant		<b>12,000</b>	12,000
		<hr/>	<hr/>
<b>Surplus on ordinary activities before taxation</b>		<b>246,677</b>	414,183
Taxation	4	<b>31,369</b>	-
		<hr/>	<hr/>
<b>Surplus for the year</b>		<b>215,308</b>	414,183
		<hr/>	<hr/>

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 Statement of profit and loss 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





## Irish Co-operative Organisation Society Limited

# Balance sheet

### for the year ended 31 December 2015

	Note	2015 €	2014 €
<b>Fixed assets</b>	5	<b>74,884</b>	76,053
<b>Current assets</b>			
Bank balances and cash		<b>1,100,583</b>	1,061,781
Debtors	6	<b>199,571</b>	235,589
		<b>1,300,154</b>	1,297,370
<b>Creditors due within one year</b>	7	<b>(923,248)</b>	(1,136,941)
<b>Net current assets</b>		<b>376,906</b>	160,429
<b>Net assets</b>		<b>451,790</b>	236,482
<b>Capital employed</b>			
Share capital	9	<b>134</b>	134
General revenue account surplus		<b>451,656</b>	236,348
<b>Members' funds</b>		<b>451,790</b>	236,482

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

## Statement of changes in equity

for the year ended 31 December 2015

	Called up share capital	General revenue account	Revaluation reserve	Total
	€	€	€	€
Balance at 1 January 2014 (as previously reported)	134	(966,430)	47,500	(918,796)
Effect of adopting FRS 102	-	47,500	(47,500)	-
	<hr/>	<hr/>	<hr/>	<hr/>
Balance at 1 January 2014 (restated)	134	(918,930)	-	(918,796)
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>				
Profit or loss	-	414,183	-	414,183
Other comprehensive income				
Forgiveness of historic debt by related undertakings	-	741,095	-	741,095
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>	-	1,155,278	-	1,155,278
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2014</b>	134	236,348	-	236,482
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance at 1 January 2015</b>	134	236,348	-	236,482
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Total comprehensive income for the year</b>				
Profit or loss	-	215,308	-	215,308
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	215,308	-	215,308
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Balance at 31 December 2015</b>	134	451,656	-	451,790
	<hr/>	<hr/>	<hr/>	<hr/>

## Irish Co-operative Organisation Society Limited

# Cash flow statement

for the year ended 31 December 2015

Note	2015 €	2014 €
<b>Cash flows from operating activities</b>		
Profit for the year	215,308	414,183
<i>Adjustments for:</i>		
Depreciation and amortisation	13,929	9,734
Loss on disposal of fixed assets	788	-
Interest payable and similar charges	1,471	5,954
Taxation	31,369	-
	<b>262,865</b>	429,871
Decrease/(increase) in trade and other debtors	36,017	(62,332)
(Decrease)/increase in trade and other creditors	34,725	12,165
	<b>333,607</b>	379,704
Tax paid	260	170
<b>Net cash from operating activities</b>	<b>333,867</b>	379,874
<b>Cash flows from investing activities</b>		
Acquisition of tangible fixed assets	(13,547)	(19,009)
<b>Net cash from investing activities</b>	<b>(13,547)</b>	(19,009)
<b>Cash flows from financing activities</b>		
Interest paid	(1,471)	(5,954)
Repayment of Golden Jubilee Trust loan	(259,570)	(3,213)
Repayment of bank loan	(20,477)	(239,698)
<b>Net cash from financing activities</b>	<b>(281,518)</b>	(248,866)
Net increase in cash and cash equivalents	38,802	112,000
Cash and cash equivalents at 1 January	1,061,781	949,781
<b>Cash and cash equivalents at 31 December 2015</b>	<b>1,100,583</b>	1,061,781

## Irish Co-operative Organisation Society Limited

# Notes

### forming part of the financial statements

## 1 Accounting policies

### 1.1 Basis of preparation and measurement convention

The financial statements have been prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, as issued in August 2014, and Irish statute comprising the Industrial Provident Societies Acts, 1893 to 2014 under the historical cost convention.

### 1.2 Going concern

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 2015 represents a significant stabilisation over the past number of years.

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.

### 1.3 Societies' contributions

Contributions from societies are recognised in profit or loss in the year in which such contributions are received and arrears are not included at the year end.

### 1.4 Other income

Income, other than Societies' contributions, represents the value of services supplied to external customers. Such income is recognised in profit or loss when the relevant services are provided.

### 1.5 Fixed assets

Fixed assets are stated at cost or deemed cost less accumulated depreciation. Prior to transition to FRS 102 artwork was previously carried at revalued amount. On transition to FRS 102, the previous revalued amount has now been treated as deemed cost and no future revaluations will be applied.

## Irish Co-operative Organisation Society Limited

# Notes (continued)

## 1 Accounting policies (continued)

### 1.5 Fixed assets (continued)

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	-

### 1.6 Retirement benefits

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

### 1.7 Taxation

Tax on the surplus or deficit for the year comprises current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

## Irish Co-operative Organisation Society Limited

**Notes** (continued)**2 Turnover**

	2015 €	2014 €
Societies' contributions received	1,254,208	1,338,440
Other income and management recharges	113,454	52,058
Seminars, training and education	469,335	433,517
Grants and management recharges received from The Golden Jubilee Trust Fund	50,000	75,000
	<b>1,886,997</b>	<b>1,899,015</b>

**3 Expenditure**

	2015 €	2014 €
<b>Payroll</b>		
Salaries and state insurance	824,970	798,624
Pension cost	98,442	97,325
	<b>923,412</b>	<b>895,949</b>
<b>Travel and services</b>		
Travel expenses	204,288	180,071
Public relations, education and training	92,642	56,028
Postage and telecommunications	19,764	18,765
Printing and stationery	10,259	9,034
	<b>326,953</b>	<b>263,898</b>
<b>Overheads</b>		
Rent, rates, light, insurance and household expenses	134,410	121,370
Subscriptions	43,548	41,887
Professional fees	70,185	69,159
Maintenance and repairs	29,989	27,906
Depreciation of fixed assets	13,929	9,734
Plunkett Institute	4,863	1,378
Miscellaneous expenses	90,332	47,359
	<b>387,256</b>	<b>318,793</b>
<b>Finance costs</b>		
Finance expense - pension	13,228	12,238
Interest and charges	1,471	5,954
	<b>14,699</b>	<b>18,192</b>

## Irish Co-operative Organisation Society Limited

# Notes (continued)

### 4 Taxation

	2015	2014
	€	€
<b>Current tax</b>		
Irish corporation tax charge on surplus for the year	31,369	-
	<hr/>	<hr/>
<b>Total tax charge for the year</b>	<b>31,369</b>	<b>-</b>
	<hr/>	<hr/>

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:

	2015	2014
	€	€
Surplus for the year	215,308	414,183
Total tax charge	31,369	-
	<hr/>	<hr/>
Surplus excluding tax	246,677	414,183
	<hr/>	<hr/>
Surplus for year multiplied by the average rate of Irish corporation tax for the year of 12.5%	30,835	51,773
<i>Effect of:</i>		
Non-taxable grant income	(1,500)	(1,500)
Income taxed at higher rate	162	105
Forgiveness of historic debt	-	67,637
Movement on unrecognised deferred tax	1,872	(118,015)
	<hr/>	<hr/>
<b>Total tax expense for the year</b>	<b>31,369</b>	<b>-</b>
	<hr/>	<hr/>

All current tax is recorded in the Income and Expenditure account.



## Irish Co-operative Organisation Society Limited

## Notes (continued)

<b>5 Fixed assets</b>	<b>Furniture, fittings and equipment</b>	<b>Computer equipment</b>	<b>Art Art work</b>	<b>Total</b>
	€	€	€	€
<b>Cost/valuation</b>				
At 31 December 2014	37,536	97,019	47,500	182,055
Additions	-	13,546	-	13,546
Disposals	-	(11,002)	-	(11,002)
<b>At 31 December 2015</b>	<b>37,536</b>	<b>99,563</b>	<b>47,500</b>	<b>184,599</b>
<b>Accumulated depreciation</b>				
At 31 December 2014	31,792	74,210	-	106,002
Charge for year	2,373	11,555	-	13,928
Disposals	-	(10,215)	-	(10,215)
<b>At 31 December 2015</b>	<b>34,165</b>	<b>75,550</b>	<b>-</b>	<b>109,715</b>
<b>Net book amounts</b>				
At 31 December 2015	<b>3,371</b>	<b>24,013</b>	<b>47,500</b>	<b>74,884</b>
At 31 December 2014	5,744	22,809	47,500	76,053

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. On transition to FRS102, the previous revalued amount has been treated as deemed cost and no future revaluations will be applied.

<b>6 Debtors</b>	<b>2015</b>	<b>2014</b>
	€	€
Trade debtors	<b>9,691</b>	13,120
Prepayments and other debtors	<b>62,929</b>	24,620
<b>Amounts due from related parties:</b>		
ICOS Skillnet project	<b>35,087</b>	38,108
Golden Jubilee Trust Fund	<b>12,586</b>	33,719
Irish Co-operative Societies Pension Scheme	<b>70,710</b>	117,454
Dairy Executives Pension Scheme	<b>8,568</b>	8,568
	<b>199,571</b>	235,589

## Irish Co-operative Organisation Society Limited

# Notes (continued)

<b>7 Creditors:</b> amounts falling due within one year	<b>2015</b>	2014
	€	€
Creditors and accruals	<b>587,591</b>	541,563
Bank loan	-	20,477
PAYE and VHI	<b>29,526</b>	30,305
VAT	<b>24,502</b>	34,990
Corporation tax	<b>31,629</b>	-
<i>Amounts due to related parties:</i>		
Golden Jubilee Trust Fund	<b>250,000</b>	509,570
I.F.C.D.	-	36
	<b>923,248</b>	1,136,941

## 8 Retirement benefits

The Society's contributions to PRSA's are charged to the Income and Expenditure Accounts as incurred and amounted to €111,670 (2014: €109,563) in the year.

<b>9 Share capital</b>	<b>Number</b>	€
At 31 December 2015	<b>134</b>	<b>134</b>

During the year, there were no new affiliations and no disaffiliations.

## 10 Related parties

*Transactions with key management personnel*

Total compensation of key management personnel (including the directors) in the year amounted to €208,225 (2014: €172,966).

## Irish Co-operative Organisation Society Limited

# Notes (continued)

### 11 Accounting estimates and judgements

#### *Key sources of estimation uncertainty*

The preparation of financial statements in conformity with FRS 102 requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Particular areas which are subject to accounting estimates and judgments in these financial statements are as follows:

- Recoverability of accrued receivables
- Assessment of recoverability of tax losses

### 12 Explanation of transition to FRS 102 from old Irish GAAP

As stated in note 1, these are the Society's first financial statements prepared in accordance with FRS 102. The accounting policies set out in note 1 have been applied in preparing the financial statements for the year ended 31 December 2015 and the comparative information presented in these financial statements for the year ended 31 December 2014. In preparing its transition balance sheet, the Society has adjusted amounts reported previously in financial statements prepared in accordance with its old basis of accounting (Irish GAAP). An explanation of how the transition from Irish GAAP to FRS 102 has affected the company's financial position and financial performance is set out in the following tables.

Note	Profit for the year ended 31 December 2014 €	Equity as at 31 December 2014 €	Equity as at 1 January 2014 €
<b>Amount under old GAAP</b>	414,183	236,482	(918,796)
<b>Amount under FRS 102</b>	<b>414,183</b>	<b>236,482</b>	<b>(918,796)</b>

### 13 Approval of financial statements

The Board approved the financial statements on 28 April 2016.

## Co-operative Statistics: Dairy Co-operative Statistics

Dairy Co-operative Societies 2014					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	3,650	307	213,139	8,753	3,583	1.68%	33,994	46,948	41,966	1,864	3,118	4.44%			
2 Bandon	690	245	126,566	8,517	6,664	5.27%	12,830	70,985	66,591	2,983	1,411	4.48%			
3 Barryroe	599	220	119,634	10,242	8,254	6.90%	34,985	89,675	78,433	9,446	1,796	12.04%			
4 Boherbue	164	44	21,412	502	348	1.63%	2,993	7,806	7,806	0	0	0.00%			
5 Callan	169	33	16,096	1,562	1,342	8.34%	2,114	7,483	7,483	0	0	0.00%			
6 Centenary Thurles	1,259	118	80,981	5,656	4,170	5.15%	14,781	40,075	37,654	0	2,421	0.00%			
7 Aurivo Co-op Society	10,000	696	446,923	12,738	5,992	1.34%	31,326	59,808	38,230	2,021	19,557	5.29%			
8 Dairy Gold	8,218	1,145	848,776	51,992	27,112	3.19%	268,774	387,391	280,003	71,621	35,767	25.58%			
9 Doapey	289	4	3,167	-17	-24	-0.76%	21	811	811	0	0	0.00%			
10 Drinagh	2,300	250	113,422	14,514	12,721	11.22%	21,935	109,035	100,509	9,121	-595	9.07%			
11 Drombane	200	9	7,305	155	119	1.63%	485	2,559	2,559	0	0	0.00%			
12 Fealesbridge	343	9	8,642	-2	-21	-0.24%	326	2,807	2,807	0	0	0.00%			
13 Glanbia	17,837	3,418	3,415,881	225,230	190,264	5.57%	794,522	2,068,667	920,654	654,998	493,015	71.14%			
14 Ornua	3,276	3,385	2,339,784	36,546	24,698	1.06%	145,536	644,823	434,660	0	210,163	0.00%			
15 Kerry	13,000	23,767	5,756,600	635,200	555,500	9.65%	1,283,400	4,334,100	2,235,600	1,270,600	827,900	56.83%			
16 Lakeland Dairies	4,658	667	625,770	25,150	10,864	1.74%	79,038	139,230	90,454	34,273	14,503	37.89%			
17 Lee Strand	271	98	30,894	1,965	16	0.05%	23,199	15,956	14,063	40	1,853	0.28%			
18 Lisavaird	1,044	80	68,279	7,982	6,348	9.30%	12,994	67,940	64,842	3,030	68	4.67%			
19 Maudabawn	190	8	9,781	111	162	1.66%	0	0	0	0	0	0.00%			
20 Mullinahone	51	76	27,402	1,032	590	2.15%	2,851	7,144	7,036	0	108	0.00%			
21 Newtownsandes	190	11	12,997	277	211	1.62%	56	4,558	4,558	0	0	0.00%			
22 North Cork	550	65	66,269	1,954	415	0.63%	7,687	11,886	10,547	0	1,339	0.00%			
23 Tipperary Co-operative Creamery	1,830	117	190,875	5,366	2,175	1.14%	19,780	33,241	27,607	7,583	-1,949	27.47%			
24 LacPatrick	515	154	205,511	4,043	2,562	1.25%	3,146	43,724	44,348	0	-624	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%			
Total	71,657	34,928	14,822,627	1,065,471	868,834	5.86%	2,805,435	8,219,823	4,532,590	2,074,073	1,613,160	45.76%			

\* Not 2014 information

\*\* Not all information received

EBITDA Earnings before interest, tax, depreciation & amortisation

## Co-operative Statistics: Mart Co-operative Statistics

Mart Co-operative Societies 2014										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 Mart	26	793	235	153	19.29%	1,242	3,775	3,757	18	0	0.48%			
2	Ballyjamesduff Mart	49	25,659	170	97	0.38%	816	3,647	3,639	8	0	0.22%			
3	Castleisland Mart	19	29,007	217	164	0.57%	2,191	3,138	3,083	0	55	0.00%			
4	Castlerea Mart	35	1,034	249	208	20.12%	1,160	2,120	2,120	0	0	0.00%			
5	Central Auctions Mart	33	1,415	408	287	20.28%	1,386	4,877	4,758	0	119	0.00%			
6	Clare Marts	41	1,875	372	234	12.48%	2,762	7,558	6,252	0	1,306	0.00%			
8	Corcaghan	5	2,342	150	63	2.69%	75	2,643	2,643	0	0	0.00%			
7	Cork Marts	90	10,101	1,642	938	9.29%	34,948	31,029	17,139	16,253	-2,363	94.83%			
8	East Donegal Mart	22	491	70	46	9.37%	465	1,260	1,258	2	0	0.16%			
9	Dingle Mart	15	226	14	-188	-83.19%	256	533	-319	852	0	-267.08%			
10	Golden Vale Mart	107	7,253	2,969	1,641	22.63%	6,787	23,873	22,348	0	1,525	0.00%			
11	Iveragh Mart	447	225	39	15	6.67%	315	367	240	35	92	14.58%			
12	Kanturk Mart	20	467	140	93	19.91%	1,514	1,916	1,467	449	0	30.61%			
13	Kenmare Mart	17	459	93	77	16.78%	492	1,075	1,072	0	3	0.00%			
14	Kilkenny Mart	30	1,744	440	-545	-31.25%	18,611	18,713	9,031	8,754	928	96.93%			
15	Kingdom Mart	11	387	144	69	17.83%	1,064	2,261	1,300	961	0	73.92%			
16	Leinster Mart	18	567	78	10	1.76%	2,169	1,781	1,781	0	0	0.00%			
17	Mayo Sligo Mart	28	731	218	166	22.71%	1,023	4,020	4,020	0	0	0.00%			
18	Mid Kerry Mart	10	319	87	64	20.06%	493	663	663	0	0	0.00%			
19	Mid Tipperary Mart	26	786	196	94	11.96%	955	1,640	1,732	0	-92	0.00%			
20	Roscommon Mart	25	845	125	102	12.07%	2,760	3,123	2,362	761	0	32.22%			
21	Templemore Mart	0	7,910	23	12	0.15%	199	584	584	0	0	0.00%			
22	Tuam Mart	20	3,846	311	240	6.24%	843	2,160	2,160	0	0	0.00%			
23	Waterford/Ross Mart	24	201	236	215	106.97%	666	1,117	1,049	68	0	6.48%			
24	Wexford Farmers Mart	48	29,405	-874	-1,140	-3.88%	13,661	13,117	8,138	6,169	-1,190	75.80%			
	Total	726	128,088	7,752	3,115	2.43%	96,853	136,990	102,277	34,330	383	33.57%			

\* Not 2014 information

\*\* Not all information received

EBITDA Earnings before interest, tax, depreciation & amortisation

## Co-operative Statistics: Other Co-operative Statistics

Other Co-operative Societies 2014							Balance sheet €'000						
Society		Members	Employees (Inc part / time)	Total sales	EBITDA	Net profit / (loss) before tax	Net profit / (loss) as a % sales	Assets employed		Financed by		Debt / equity ratio	
								Tangible fixed assets	Total assets less current liabilities	Shareholders / Members Funds	Bank overdraft / loans & finance leases	Other	
CATTLE BREEDING SOCIETIES													
1 SECBS		30,447	41	5,612	587	505	9.00%	6,957	8,843	8,300	340	203	4.10%
2 Store Societies													
3 Templecrone	*	1,407	116	13,340	359	-93	-0.70%	8,716	648	9,676	644	-9,672	6.66%
4 Inishowen		2,046	54	16,122	2,468	2,211	13.71%	3,637	10,715	10,715	0	0	0.00%
SPECIALIST BREEDING SOCIETIES													
5 Irish Angus Cattle		1,032	2	279	6	0	0.00%	157	738	738	0	0	0.00%
6 Irish Charolais Cattle		6,141	5	726	-81	-92	-12.67%	27	1,659	1,659	0	0	0.00%
7 Irish Limousin		2,389	5	593	6	-1	-0.17%	269	1,085	1,085	0	0	0.00%
RURAL DEVELOPMENT & MISCELLANEOUS SOCIETIES													
8 Ballintorm Group Water Scheme Co-op Society Ltd		0	0	16	-0	-0	-2.56%	0	16	0	0	16	#DIV/0!
9 Belgian Cattle Breeding Society of Ireland		866	1	88	-42	-42	-47.73%	0	25	25	0	0	0.00%
10 Blackstairs GWS Co-operative Society		189	2	196	64	63	32.14%	288	509	509	0	0	0.00%
11 Bulgaden Group Water Scheme Co-op Society Ltd		130	0	49	11	4	8.16%	79	115	53	0	62	0.00%
12 Caravan, Camping & Mobile Home Society Ltd		124	0	140	-1	-1	0.00%	0	194	194	0	0	0.00%
13 CBC GWS			1	305	50	3	0.98%	717	1,083	1,083	0	0	0.00%
14 Clonleigh Co-op Agricultural Society Ltd				23,228	514	392	1.69%	1,340	4,809	4,809	0	0	0.00%
15 Comharchumann Chleire Teo			26	616	63	-17	-2.76%	1,197	1,248	673	54	521	8.02%
16 Commercial Mushroom Producers Co-op Society		45	29	217,557	1,189	-166	-0.08%	9,121	10,051	1,673	5,481	2,897	327.62%
17 Country Markets Limited		2,135	1	1,863	-21	-23	-1.23%	12	200	200	0	0	0.00%
18 County Clare Agricultural show Society Ltd			0	86	18	7	8.14%	234	190	190	0	0	0.00%
19 FDC (Farm Development Co-operative)		476	0	305	271	200	65.57%	3,000	3,208	2,836	372	0	13.12%
20 FRS Network Amalgamated Co-op Societies Ltd		5,541	733	13,771	475	165	1.20%	3,398	6,255	5,745	521	-11	9.07%
21 FRS Recruitment Society Ltd				6,648	163	153	2.30%	6	1,014	1,014	0	0	0.00%
22 IFAC		17,116	140	14,070	1,247	797	5.66%	4,550	14,572	14,572	0	0	0.00%
23 Inishowen Tourism Society Ltd				128	9	8	6.25%	1	27	27	0	0	0.00%
24 Irish Charolais Sheep Society Ltd		262	0	101	25	22	21.78%	1	58	58	0	0	0.00%
25 Irish Horse Board		22,207	0	175	3	3	1.71%	0	142	142	0	0	0.00%
26 Kilmovee Urlaur GWS Co-op Society Ltd		703	1	187	-9	-9	-4.81%	0	162	162	0	0	0.00%
27 Mayo Abbey Co-operative Argicultural & Dairy Society		0	1	1,017	9	8	0.79%	4	306	306	0	0	0.00%
28 Nairin Portnoo Rosbeg Community Co-op Society Ltd		327	0	12	36	1	8.33%	784	819	323	0	496	0.00%
29 Nat Co-op Farm Relief		8	13	6,446	187	175	2.71%	144	2,244	2,244	0	0	0.00%
30 Newtowndaly GWS Co-op Society		94	0	11	1	9	81.82%	1	40	56	0	-16	0.00%
31 NFGWS		391	11	392	-337	-336	-85.71%	17	736	736	0	0	0.00%
32 Oldcastle Co-op Creamery Ltd		374	9	2,613	44	10	0.38%	892	1,423	1,081	342	0	31.64%
33 Peterswell - Castledaly GWS Co-op society		334	0	110	-9	-9	-8.18%	144	267	267	0	0	0.00%
34 Sicin Co-operative Society Ltd			0	0	-5	-5	0.00%	0	-1	-1	0	0	0.00%
35 The Kerry Bog Pony Co-operative Society		214	0	4	-22	-26	-650.00%	0	7	7	0	0	0.00%
36 Unity Co-operative Society		7	2	218	37	25	11.47%	2	33	33	0	0	0.00%
Total		95,005	1,193	327,024	7,315	3,941	1.20%	45,695	73,440	71,190	7,754	-5,504	10.89%

\*

Not 2014 information

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Not all information received

Earnings before interest, tax, depreciation & amortisation

EBITDA



## Co-operative Statistics: Fishing and summary Co-operative Statistics

Fishing Co-operative Societies 2014										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	85	71	50,744	1,490	1,283	2.53%	5,074	8,951	6,617	1,742	592	26.33%
2	Clogherhead	-	8	13,979	279	250	1.79%	27	606	606	0	0	0.00%
3	Donegal Co-operative Fisheries	**	-	-	-	-	-	-	-	-	-	-	-
4	Folye Fishermen's co-op	*	9	1,454	61	34	2.34%	27	899	892	7	0	0.78%
	Total	85	88	66,177	1,830	1,567	2.37%	5,128	10,456	8,115	1,749	592	21.55%

\* Not 2014 information

\*\* Not all information received

EBITDA Earnings before interest, tax, depreciation & amortisation

	Summary Co-operative Statistics 2014								
		Total	Dairies	Marts	Fishing	Others			
Number of Societies		80	25	24	4	27			
Members		203,855	71,657	37,108	85	95,005			
Employees		36,935	34,928	726	88	1,193			
Trading Performance (€'000)									
Total Sales		15,343,916	14,822,627	128,088	66,177	327,024			
Net profit / (loss) before tax		877,457	868,834	3,115	1,567	3,941			
Net Profit / (Loss) as a % of Sales		5.72%	5.86%	2.43%	2.37%	1.20%			
Balance Sheet (€'000)									
Tangible fixed assets		2,953,111	2,805,435	96,853	5,128	45,695			
Total assets less current liabilities		8,440,709	8,219,823	136,990	10,456	73,440			
Shareholders / Members Funds		4,714,172	4,532,590	102,277	8,115	71,190			
Bank overdraft / loans & finance leases		2,117,906	2,074,073	34,330	1,749	7,754			
Other		1,608,631	1,613,160	383	592	-5,504			
Debt / equity ratio		44.93%	45.76%	33.57%	21.55%	10.89%			

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