

ICOS MISSION STATEMENT

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

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CORPORATE PROFILE OF ICOS

REGISTERED OFFICE

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EXECUTIVES

John R Tyrrell, B.Agr.Sc, Dip. Corporate Direction
Director General

Seamus O'Donohoe, M.Agr.Sc. M.B.A.
Secretary

SOLICITORS

Arthur Cox

BANKERS

Allied Irish Banks Ltd
Bank of Ireland

AUDITORS

Thomas J. McCarthy,
Public Auditor
Price Waterhouse Coopers

EC INFORMATION OFFICE

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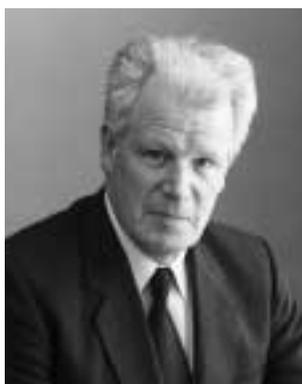
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Telephone: (071) 61458
Fax: (071) 61938



*Martin Caulfield,
Northern Vice President*



*Dessie Boylan,
President*



*Paddy O'Brien,
Southern Vice President*



*Martin Valery,
Director of Policy*



*Seamus O'Donohoe,
Secretary*



*John R Tyrrell,
Director General*



*Shane Dolan,
Financial Controller*

FOREWORD

2001 will be remembered as the year in which farmers and their co-operatives were reminded that the price of secure and stable outlets for their food products is eternal vigilance. 2001 also reaffirmed the importance of the co-operative spirit not just within the agricultural community but on the part of Irish citizens as a whole. It is important to acknowledge here the great efforts made by our fellow citizens to ensure that Ireland would revert as quickly as possible to foot and mouth free status. We thank them for that and particularly our colleagues in the tourism sector who along with the farming sector was also directly affected.

In many respects Irish farmers and the food industry can consider themselves extremely lucky that the "wake up call" engendered by both BSE and Foot and Mouth did not have the devastating effects initially predicted. The industry has learnt from this lesson and must continue to do so. Co-operative resources committed to increasing standards of quality, health and hygiene continue to grow.

On a more immediate and practical note there is a need on the part of the Government and local authorities to take a more sympathetic view of the financial losses which have arisen in livestock marts because of the complete cessation of trading for 16 weeks due to foot and mouth. There are indications that some local authorities have offered a partial rebate of annual rates and this is to be welcomed.

Referring briefly to other developments within the co-operative sector in the year under review all of which are the subject of more detailed comment later on in the annual report. The restructuring of the dairy sector continues apace. 2001 saw the completion of the merger between Nenagh and Mid West to create Arrabawn Co-operative Society Limited. This development was followed by the acquisition of Golden Vale plc by Kerry Group later in the year. The momentum for consolidation continued into the current year with the purchase by Lakeland Dairies of Golden Vale North from the Kerry Group and their subsequent purchase of the Nestlé processing plant in Omagh. All these co-operatives have moved rapidly to consolidate and rationalise operations with a view to maximising the benefit to farmers and other stakeholders.

In the case of these Societies and in the case of the earlier amalgamations that created Connacht Gold and Glanbia, it is heartening to note that all

these Societies have put considerable effort into remodelling the control and representation structure for their farmer shareholders to ensure that control stays in the hands of active trading members. As reported on in detail in the Policy Development Division section, preparations for the European Commission Mid-Term Review discussions in 2002 have begun in earnest. In anticipation of this, ICOS organised in the year under review a series of consultative forums for our co-operatives. The outcome of these consultations will inform our Boards policy position in the lead up to the Mid-Term Review discussions in 2002. ICOS with its Dairy co-ops will also be participating in the Dairy Industry Steering Group established by Joe Walsh which is to review the Dairy Processing and Marketing Sector.



Some of the twenty four participants from twelve of our Dairy Co-operatives attending a Workshop given by Don Schriver, Vice President Dairy Farmers of America and Herman Brubaker, Chairman, Dairy Farmers of America. The Workshop was part of the "International Development" module of the Diploma in Corporate Direction delivered by ICOS in conjunction with UCC.

One note of regret during the year under review has to be the slow pace of progress in the implementation of the ICOS marts strategy. Despite the good work done by ICOS staff and the ICOS Livestock Marts Committee in identifying and highlighting the internal weaknesses and external threats facing livestock marts, the pace of restructuring and consolidation is moving far too slowly in most marts. In consequence the co-operative movement is in real danger of seeing a sector that was prudently and effectively built up over the last forty years now beginning to go into retreat and suffer a steady erosion of its asset base. It is infinitely preferable for livestock marts to make the difficult choices now, that market circumstances are dictating, rather than leaving it until it is too late and

there are few choices left. Efforts must be redoubled in the current year to ensure that our mart leadership will make the necessary and difficult decision to put those marts that are under commercial pressure on a more sound commercial footing.

The Member Development Section, ICOS put considerable effort into improving the choice of training and development programmes available to co-operative directors in 2001. The joint venture with University College Cork in the designing and delivery of a Diploma in Corporate Direction for the Directors of Dairy Co-operatives was the consequence of this effort and we have been encouraged by the very positive response from members.



Michael Hegarty, EU Expert addresses a workshop of farming, co-operative and agricultural business leaders in Slovenia. This PHARE funded programme is designed for leaders of farmers and agricultural business organisations in Eastern and Central Europe. The programme is managed by ICOS in conjunction with COPA/COGEA and LRF, the Swedish Co-operative and farming Organisation

Measures being proposed by the EU Commission relating to the use of inter mammary medicines and separate proposals that would make all animal medicines prescription only were the source of representations by ICOS at national and EU level. While not opposed in principal to measures that will ensure the safer use of medicines, ICOS have real concerns with the practicality of what is being proposed and the very real likelihood that its lasting effect will be increased costs and administrative workload on farmers with no improvement in the safer use of medicines.

The PPF wage agreement has placed a considerable cost burden on our co-operatives, many of whom are in sectors where it is not possible for them to recover these additional employment costs from the market place. This difficult situation was compounded during the year by additional claims from unions seeking payments over and above that agreed in the PPF negotiations. In addition the removal of the employers PRSI ceiling in the budget has added to the costs of our co-operatives. These additional pressures on

ICOS members will require careful consideration when ICOS comes to decide on its stance in regard to the next round of centralised wage negotiations .

It was a matter of some disappointment to me that despite the fact that the leadership of the main farm organisations strongly supported a yes vote that in large measure voter apathy won the day with the proposition in favour of the Nice Treaty been beaten by the smallest of margins in a very low poll. While understanding that the Treaty embodied quite a number of complex and detailed issues, the overall thrust of the Treaty was to allow emerging democracies in nations adjoining the current European Union border the development opportunities that Ireland was given thirty years ago and used to such good advantage. It is a matter of regret that the key messages of the Treaty were not very well communicated to the ordinary public. In consequence of the Treaty proposal being rejected, many of these applicant countries were left puzzled and disappointed at what they saw as Irelands rejection of their opportunity to benefit from membership of the European Union.

The news that the Government have at last introduced measures to amend the Industrial and Provident Societies Act to facilitate amalgamations for all societies on the basis of a simple majority being achieved at a Special General Meeting of members is to be very much welcomed. The absence of any progress until now on this issue has been the subject of comment in the foreword of many Annual Reports for the last number of years.

As our Annual Report goes to print, it is with great sadness and regret that we must note the passing of four great stalwarts of the co-operative movement. The co-operative movement has seen the passing of Michael Mc Cormack, Secretary , Dairygold and erstwhile colleague of ICOS staff; Denis Foley, Retired General Manager, Mullinahone Co-operative; Danny Gilmartin , chairman of Connaeht Gold , Michael O'Brien, former Chairman of Tipperary Co-operative Creamery and former Chairman of the ICOS Dairy Committee; and T.J. Maher former President of ICOS and of the IFA and long time defender of farmers interests on the national and international stage. May we extend our sympathy and thanks to their families for sharing these men of stature with the co-operative movement.

Ar dheis Dé go raibh a n-anama go léir.

Dessie Boylan
PRESIDENT

ANNUAL REPORT 2001

EURO CONVERSION

Early in 2001 ICOS in consultation with our solicitors developed a specific rule amendment to facilitate Societies seeking to re nominalise and re denominate the currency references in their rules to euro. This was necessary, as provision had not been made in the Euro Exchange legislation for co-operatives to do this by resolution. The "euro template " rule was circulated to all Societies. Many affiliated societies implemented this rule change in the year under review.

BSE AND FOOT & MOUTH

The sharp and costly warning received by the agricultural and food sector in 2001 in consequence of the BSE and Foot and Mouth outbreaks serves as a timely reminder as to how fickle market confidence can be and how easy it is for an unanticipated event to have the potential to cause serious financial damage to the industry. Ireland was assisted in avoiding the more catastrophic consequences of F.M.D. by a combination of very effective and stringently applied remedial measures and it has to be said some measure of good fortune.

The positive and speedy response of the Minister for Agriculture and his officials and that of the public at large ,in particular the tourist industry, ensured that the foot and mouth epidemic did not have a more disastrous effect on the economy.

There are lessons to be learned by both co-operatives and producers from this near disastrous experience. Chief among these is the need to reinforce in both the minds of farmers and consumers that farmers and the food industry will continue to put in place the best standards and practices to ensure that we meet consumers needs. The future prosperity of the sector is completely dependent on the trust and confidence that domestic and international consumers have in our food products. Our ability to put in place transparent systems and processes to deal with food health, quality , hygiene, environmental and welfare issues is now a necessary precondition to selling any foodstuff at a competitive price.

DAIRY CONSOLIDATION

The President in his Foreword commented on recent restructuring within the dairy sector. These developments in the dairy processing sector are to be welcomed and along with last years amalgamations continue the trend toward consolidation within the industry.

The analysis provided by the ICOS Dairy Review Strategy in April 2000, confirming the need for continued consolidation of the Irish dairy sector continues to hold true and while welcoming recent developments it is clear that further consolidation is likely to be a feature of the sector.

MARTS STRATEGY REVIEW

Despite continued structural and cost difficulties in our mart sector there has been little tangible response to the Mart Strategy document produced in November 2000. This is a source of ongoing concern for ICOS as the sector continues to face considerable negative commercial pressures. During the earlier part of the year, the closure of Livestock Marts due to the Foot and Mouth crisis compounded an already difficult situation for many marts. It is clear that structural issues such as the balance between active and inactive shareholders, the average age of shareholders and of committees of management, and the high social importance attached to retaining a mart centre in local towns are all proving significant obstacles in achieving progress on the strategy. However, ICOS continues to work with co-operative marts with a view to strengthening their structure.

NATIONAL CONFERENCE

For the first time ever, appalling weather conditions in November 2000 resulted in ICOS organising two conferences in 2001. The first of these in January 2001 was the postponed 2000 conference. This had the overall theme "Strategies for Enhancing Co-operative Management and Performance". The 2001 conference proper had the theme "Co-operatives - Facing the Competitive Challenge". Both conferences are reported on more fully in the Member Development Section of the Annual Report.



Julie Sinnamon, (Enterprise Ireland), Professor Sebastian Green, (Deen Faculty of Commerce, UCC), Professor Dessie Boylan, (ICOS), Charlie Daly, Dean Faculty of Food Science and Technology, UCC at the launch of the Diploma in Corporate Direction for Directors of Dairy Co-operatives.

DAIRY DIRECTOR PROGRAMME

In May 2001 ICOS launched its new Dairy Director Development Programme in conjunction with UCC. This programme received financial support from Enterprise Ireland and had twenty-four directors from twelve dairy co-operatives as participants. Despite a delay in the American part of the programme due to the September 11th bombings, all participants successfully completed the programme in January of this year.

ICOS NUFFIELD SCHOLARSHIP

In 2001, as a further dimension to the educational activity of the Organisation, ICOS sponsored its first co-operative Nuffield Scholar. This was Mr Pat Quirke from Tipperary Co-operative Society Limited. The scholarship supports a co-operative member in engaging in depth co-operative research in relation to an aspect of co-operative business of particular interest to that person. A paper must also be prepared for presentation and publication based on this research. The Nuffield Scholarship is organised in Ireland by the Irish Farmers Journal.

NATIONAL FEDERATION OF GROUP WATER SCHEMES

The importance of group water schemes to the rural water supply sector is illustrated by the fact that there are over 700 schemes in existence supplying approximately 25% of the water supply to rural households. Last year ICOS was employed in a facilitative role to advise the National Federation of Group Water Schemes on changes to its structure and operations. Arising from this a detailed report with over sixty recommendations was produced for the Federation. In addition, ICOS is assisting increasing numbers of the individual schemes to incorporate as co-operatives and also providing advice to them on consolidation and amalgamation.

CENTRAL AND EASTERN EUROPEAN CONSULTANCY

During 2001, ICOS in collaboration with COPA/COGECA and the Swedish Farmers and Co-operative Association (LRF) initiated a PHARE funded project advising Farmer and their co-operative in a number of EU applicant countries on organisational and representational matters.

RULES AND STRUCTURES SUB-COMMITTEE

The rules and structures subcommittee met on two occasions during the year. In the early part of the year the Committee at the request of the Board and Council had examined a series of proposals made at the 2000 AGM. The sub-committee recommended no change to the existing method of electing the President of ICOS and recommended no change to their earlier decision

to reduce the level of mart representation on the Board of ICOS from four to three.



John Tyrell, Director General ICOS, addresses a PHARE funded workshop of farming, co-operative and agricultural business leaders in Estonia. This workshop is part of a training and development programme managed by ICOS in conjunction with COPA/COGEA and LRF, the Swedish Co-operative and farming organisation.

In response to a Clare Mart resolution at the 2000 AGM that one of the mart nominated Board members be from a mart west of the Shannon, the committee pointed out that the existing terms of reference of the mart committee provided them with the power to make such a decision themselves if they so choose.

The second meeting of the sub-committee concerned itself with issues raised at Board level concerning the structure and composition of the dairy sub-committee, clarification of the rule in relation to members voting strength, the use of the 53o latitude north as a basis for dividing certain co-operative constituencies for electoral purposes and a review of co-operatives with direct rights of appointment to the Board of ICOS. The Board have recommended that the first two issues above will be the subject of a proposed amendment to the ICOS rules and the committee's deliberations on the remaining issues are still ongoing.

CO-OPERATIVE SECTOR ACTIVITY

The summary table of the Irish Co-operative sector in 2000 shows a sectoral turnover of €11.8 billion. This compares with a turnover of €11.0 billion shown in the annual report for 2000. Total sales from the Dairies sector have increased from €9.5 billion in 1999 to €10.0 billion in 2000. Mart turnover in the period under review went from a figure of €577 million in 1999 to a figure of €601 million in 2000.

ICOS MEMBERSHIP

During the year four new societies were admitted to membership of ICOS. These were:

- Clogherhead Fishermens Co-operative Society
- Kilbarron Group Water Scheme
- Drumloman Co-operative Society
- Commercial Mushroom Producers Co-operative Society



Liam Herlihy, Vice Chairman, Glanbia Co-operative and Eugene Mc Sweeney, Vice Chairman Kerry Co-operative, share a joke on their way back from International Dairy Food Forum in Phoenix Arizona. The Forum was part of a weeklong training module for dairy directors who were participating in the ICOS/UCC organised Diploma in Corporate Direction.

COUNCIL, BOARD, PRESIDENT AND VICE-PRESIDENT

During 2001 the Council of ICOS met on four occasions and the Board met on eight occasions. As a result of elections held and direct nominations received the following were elected to the Council of ICOS:

- Creameries North: Hugo Maguire (Town of Monaghan)*
- Creameries South: Sean Murray (Tipperary Co-operative Creameries)*
- Marts: Lar Carroll (Kilkenny Mart)*
- Miscellaneous: Mary Coleman (Irish Country Markets)*
Michael Walsh (Glanbia) was directly appointed to the Council of ICOS.

In subsequent elections to the Board Lexie Tinney (Glenveagh) was returned as Board member for Creameries North and Paddy O'Brien (Drinagh) as Board member for Creameries South. In the Marts category Lar Carroll (Kilkenny Mart) and Michael O'Dwyer (Templemore Mart) were returned as Board members and Donie Cashman (IFAC) was re-elected as Board member in the Miscellaneous category.

At their meeting on the 25th July the Board re elected Dessie Boylan (Lakeland) as President for a further two year term and re-elected Paddy O'Brien (Drinagh) as Southern Vice President for a further two year term.

At their meeting after the AGM on the 20th June 2001 the Council agreed to co-opt the four currently serving Presidents of the IFA, ICMSA, Macra Na Feirme and ICA. These co-options were Tom Parlon, Pat O'Rourke, Seamus Phelan and Breda Raggett respectively.

SUB-COMMITTEES AND CHAIRMEN OF EXPERT COMMITTEES

The Board appointed the President, the two Vice-Presidents, together with Terence O'Donnell, Pat O'Connor and Billy Nagle to the **Finance Subcommittee**.

The Board also appointed the **Rules and Structures Committee** comprising of the President, the two Vice-Presidents, Padraic Gibbons and William Nagle and Tom Corcoran. The committee met twice during the year.

Members appointed to the Board of **Co-op Travel** were as follows; James Brosnan, Lexie Tinney, Michael Drea, Billy Nagle, Michael O'Dwyer, Malachy Prunty and John Tyrrell.

The following were appointed to the Board of **ICOS Services Limited**; Dessie Boylan, Paddy O'Brien, Martin Caulfield, John Tyrrell and Seamus O'Donohoe.

The Board appointed Dessie Boylan, Donal Cashman, Billy Nagle Michael O'Dwyer, Tom Corcoran, John Tyrrell and Malachy Prunty as Board Members of the **Irish Foundation for Co-operative Development Ltd**. Malachy Prunty retired as Executive Director of IFCD and was replaced by Martin Varley. Mr Prunty continues to act as Secretary of IFCD.

The Board of **Irish Agri-Food Development Limited** was appointed as follows; Dessie Boylan, Martin Caulfield, Paddy O'Brien, John Tyrrell and Martin Varley.

The Board also appointed the following Chairmen of the Expert Committees.

- Dairy: Paddy O'Brien*
- Marts: Lar Carroll*
- Rural Development Padraic Gibbons*

NEW SOCIETIES, ALTERATION OF RULES AND AMALGAMATIONS

During the year 39 new co-operatives were assisted in their registration by ICOS. As in the previous year the incorporation of group water schemes as co-operatives was the most common category of new society.

In addition to new incorporations, four existing co-operatives were involved in a complete amendment of the society's rules. A further 35 societies were involved in partial amendment to their rules.

There were two amalgamations during the year; Arrabawn Co-operative Society involving an amalgamation between Mid West and Nenagh Co-

operative Creameries was initiated in 2000 and was registered in April 2001.

Annagh Group Water Scheme in Cavan involved the amalgamation of a number of local group water schemes.

REGISTRAR OF FRIENDLY SOCIETIES USERS COUNCIL

Minister Treacy, Minister for State in the Department of Enterprise and Employment announced the establishment of a Registrar of Friendly Societies Users Council during the year. The Council held its first meeting in November and its purpose is to provide advice to the Registrar Mr Martin Sisk, on the work of the Registry. Mr Seamus O'Donohoe (Secretary) is the ICOS representative on the Users Council.

REPRESENTATIVES OF ICOS ON OTHER BODIES

Tom Cleary represents ICOS on the Board of the Irish Dairy Board Co-operative Society Limited and Donal Cashman represents ICOS on the Board of IFAC Limited. In both cases the ICOS nominee was appointed Chairman of the Societies they were nominated to.

Aside from being represented in other co-operatives, ICOS is also entitled to appointed representatives on various other organisations. Amongst those are the following:

Teagasc: Michael O'Dwyer
NDC: William Nagle (retired at end of year and was replaced by Sean Murray)
NESC: Seamus O'Donohoe
Milk Quota:
Appeals Tribunal: John Tyrrell
Review Group: George Kearns

PPF: Dessie Boylan/John Tyrrell

Monitoring Committees for the Structural Funds Operational Programmes on:

(i) Enterprise Martin Varley
 (ii) CSF John Tyrrell
 (iii) P and R Dessie Boylan

Agricultural Statistics: Seamus O'Donohoe

Registrars Users Council: Seamus O'Donohoe

In addition to the above nominations, ICOS, as a member of the Farming Pillar shares nominations with the other Farm Organisations on County Enterprise Boards and County development Boards throughout the country.



Registrar of Friendly Societies Users Council.

Back Row left to right: G Costello, Fr D Mc Kenna, W Johnston, G Foley, M Woods, S O'Donohoe, Ms S Conneely.
Front Row left to right: P Harrington, Minister N Treacy T.D., Minister for State, Department of Enterprise & Employment, Martin Sisk, (Registrar).

ICOS BOARD 2001

Nominated Members

Mr. William Nagle¹
 Mr. Terence O'Donnell
 Mr. Tom Corcoran
 Mr. Pat O'Connor
 Mr. Nicholas McEniry
 Mr. Michael Drea
 Mr. James Brosnan

Address

Bregoge, Buttevant, Co. Cork/
 Scart, Kildorrery, Co. Cork
 Bohadon, Dungarvan, Co. Waterford
 Rathnasare, Rathkeale, Co. Limerick
 Mortalstown, Cahir, Co. Tipperary
 Kilcarrig, Bagenalstown, Co. Carlow
 Fahavane, Kliflynn, Tralee, Co. Kerry

Nominated by

Dairygold Co-operative Society Ltd
 Dairygold Co-operative Society Ltd
 Glanbia Co-operative Society Ltd
 Goldenvale Food Products Ltd
 IAWS Ltd
 Irish Dairy Baord Co-op Society Ltd
 Kerry Co-operative Creamery Ltd

Elected Members

Mr. Dessie Boylan
 Mr. Martin Caulfield
 Mr. Lexie Tinney
 Mr. Patrick O'Brien
 Mr. Tom O'Brien
 Mr. Donal Cashman
 Mr. Laurence Carroll
 Mr. Padraic Gibbons
 Mr. Ted Hunt²

Address

Latnadronagh, Crosserlough, Co. Cavan
 Ballyhague, Williamstown, Co. Galway
 Drumcairn, Manorcunningham, Co. Donegal
 Drishanebeg, Skibbereen, Co. Cork
 Bayly Farm, Ballinacloy, Nenagh, Co. Tipperary
 Coole, Whitecross, Co. Cork
 Seskin South, Ballyragget, Co. Kilkenny
 Bullaun, Mayneen, Sheeaune, Westport, Co. Mayo
 Coole West, Athea, Co. Limerick

Elected by (electoral group)

Creameries North
 Creameries North
 Creameries North
 Creameries South
 Creameries South
 Miscellaneous Societies
 Mart Societies
 Mart Societies
 Mart Societies

¹Mr. Nagle resigned in November 2001 and was replaced by Patsy Kelleher

²Mr. Hunt resigned in May 2001 and was replaced by Michael O'Dwyer



ICOS Board.

Back Row left to right: N Mc Enuiry, P Kelleher, P O'Connor, T O'Brien, P Gibbons, T Corcoran, M Drea, J Brosnan, L Tinney, L Carroll.
 Front Row left to right: S O'Donohoe (Secretary), M Caulfield (Vice President), D Boylan (President), P O'Brien (V President), J Tyrrell
 Director General), M O'Dwyer. (Absent from photograph: T O'Donnell, D Cashman).

ICOS NATIONAL COUNCIL 2001

The Council consists of all Board Members as listed on the previous page and the following people:

| Nominated Members | Address | Nominated by |
|--------------------------------|---|----------------------------------|
| Mr. Michael Walsh ¹ | Coolroe, Graignaman Ave., Co. Kilkenny | Glanbia Co-operative Society Ltd |
| Elected Members | Address | Elected by (electoral group) |
| Mr. Con Halahan | Toames, Macroom, Co. Cork | A. I. Societies |
| Mr. Hugo Maguire | Beechford Farms, Clones, Co. Monaghan | Creameries North |
| Mr. Sean Sweeney | Knocknaderry, Killala, Co. Mayo | Creameries North |
| Mr. John Sexton | Sunview, Courtmacsharry, Bandon, Co. Cork | Creameries South |
| Mr. Sean Murray | Faleeney, Templederry, Nenagh, Co. Tipperary | Creameries South |
| Mr. Michael Coughlan | Ballyellis, Buttevant, Co. Cork | Mart Societies |
| Mr. Michael O'Dwyer | Bridge View, Ardmayle, Cashel, Co. Tipperary | Mart Societies |
| Mr. Jim Maguire | Beglieve, Bailieboro, Co. Cavan | Miscellaneous Societies |
| Ms. Mary Coleman | 30 Ulverton Road, Dalkey, Co. Dublin | Miscellaneous Societies |
| Mr. John Joe O'Brien | Gerah, Banane, Kenmare, Co. Kerry | Miscellaneous Societies |
| Co-opted Members | | |
| Mr. Tom Parlon | Ballinlough, Roscrea, Co. Tipperary | Co-opted Member |
| Ms. Breda Raggett | "Shalom", Bodalmore, Waterford Road, Co. Kilkenny | Co-opted Member |
| Mr Seamus Phelan | Smithstown, Tulloher, Co. Kilkenny | Co-opted Member ¹ |
| Mr. Pat O'Rourke | Hillbrook, Moatefarrell, Co. Longford | Co-opted Member |

¹Replaced Mr. John Duggan, Ballynennon, Mullinahone, Co. Tipperary after May 2001.



ICOS National Council

Back Row left to right: J Maguire, S Sweeney, P Kelleher, P O'Rourke, T Corcoran, T Brooks, M Drea, J Brosnan, M Walshe, M Valery (Director of Policy), H Maguire.

Second Row left to right: J Sexton, J J O'Brien, C Halahan, T O'Brien, N McEniry, B Raggett, P Gibbons, M Coughlan, L Tinney, L Carroll

Front Row left to right: P O'Connor, S Murray, S O'Donohoe (Secretary), M Caulfield (Northern Vice President), D Boylan (President), P O'Brien (Southern Vice President), J R Tyrrell (Director General), M O'Dwyer. (Absent from photograph: D Cashman, T O'Donnell, J Dillon, M Coleman, S Phelan).

¹ Insert details for Seamus Phelan here.

NEW SOCIETIES

New Societies

Elmhill Group Water Scheme Society Ltd
 CUDS Co-operative Society Ltd
 Clooncullane / Clooncunny Group Water Co-operative Society Ltd
 Parke Group Water Scheme Society Ltd
 Lough Mask - Creevagh Group Water Scheme Society Ltd
 Gowlan Group Water Society Ltd
 Derryphatten Group Water Co-operative Society Ltd
 Killeuna Group Water Scheme Society Ltd
 Euro Taxi Co-operative Society Ltd
 Comhar Chumann Uain Sleibhe Chonamara Teo
 Kinkeen Development Society Ltd
 FRS People Placements Wicklow Society Ltd
 Comharchumann Forbartha & Fostaiocht Arainn Mhor Teo
 Irish Farm Chicken Co-operative Society Ltd
 Arrabawn Farmers Co-operative Society Ltd
 Cleggan Renvyle & Islands Fishermen's Society Ltd
 ACM Community Development Society Ltd
 Templedarty Community Development Society Ltd
 Knocknaskahill Group Water Scheme Society Ltd
 Doolin Cemetary Trustee Society Ltd
 Mallow Taxi Co-operative Society Ltd
 Caherline / Newtown Group Water Scheme Society Ltd
 Carrighorrig / Milford Group Water Scheme Society Ltd
 Irish Shorthorn Breeders Co-operative Society Ltd
 Cregganbawn Group Water Scheme Society Ltd
 Clooneygrasson Group Water Scheme Society Ltd
 Doolin Community Harbour Co-operative Ltd
 Fearglass Group Water Scheme Society Ltd
 Creevelea / Killargue Group Water Scheme Society Ltd
 Galway Rural Tourism Co-operative Society Ltd
 Brackloon / Spaddagh Group Water Scheme Society Ltd
 Caherelly Sportsfield Co-operative Society Ltd
 Glenstal Group Water Co-operative Society Ltd
 Whitepoint Co-operative Society Ltd
 Comhar Chumann Sruth Lionta Chiarrai Teoranta
 Mid Kerry Draft Net Fishermen's Society Ltd
 Tubrid Lower Water Group Society Ltd
 Johnstown / Lavallyroe Group Water Scheme Co-operative Society Ltd
 Cloonatleva Group Water Scheme Co-operative Society Ltd

County

Co. Tipperary
 Co. Dublin
 Co. Roscommon
 Co. Mayo
 Co. Mayo
 Co. Cavan
 Co. Roscommon
 Co. Galway
 Co. Cork
 Co. Galway
 Co. Leitrim
 Co. Wicklow
 Co. Galway
 Co. Mayo
 Co. Tipperary
 Co. Galway
 Co. Limerick
 Co. Tipperary
 Co. Galway
 Co. Clare
 Co. Cork
 Co. Limerick
 Co. Tipperary
 Co. Offaly
 Co. Mayo
 Co. Roscommon
 Co. Clare
 Co. Longford
 Co. Leitrim
 Co. Galway
 Co. Mayo
 Co. Limerick
 Co. Limerick
 Co. Cork
 Co. Kerry
 Co. Kerry
 Co. Kilkenny
 Co. Mayo
 Co. Galway

RULE AMENDMENTS AND AMALGAMATIONS

COMPLETE AMENDMENTS

Name of Society

Irish Cattle Breeding Federation Society Ltd
Lee Strand Co-operative Creamery Ltd
National Federation of Group Water Schemes
Clarinbridge Oyster Co-operative Society Ltd
Wicklow Farm Relief Services Ltd

County

Co. Cork
Co. Kerry
Co. Dublin
Co. Galway
Co. Wicklow

PARTIAL AMENDMENTS

Name of Society

Allihies Parish Co-operative Society Ltd
North Eastern Producers Co-operative Society Ltd
Kanturk Co-operative Mart Society Ltd
Enterprise Dunmore Society Ltd
Glanbia Co-operative Society Ltd
Fealsbridge & Headley bridge Co-operative Society Ltd
Newtownsands Co-operative Society Ltd
Doapy Co-operative Society Ltd
Nenagh Co-operative Mart Ltd
Newmarket Co-operative Creameries Ltd
Lisavaird Co-operative Creamery Ltd
Connaught Gold Co-operative Ltd
North Cork Co-operative Ltd
Cork Co-operative Marts Ltd
Arrabawn Co-operative Ltd
Barryroe Co-operative Ltd
East Donegal Mart Ltd
Irish Farm Accounts Ltd
Dairygold Co-operative Society Ltd
Drinagh Co-operative Society Ltd
Boherbue CA & DS Society Ltd
Golden Vale Mart Ltd
Callan Co-operative Agricultural & Dairy Society Ltd
Multyfarnham Group Water Scheme Society Ltd
Comharchumann Forbartha & Fostaiocht Arainn Mhor Teorant
Arrabawn Co-operative Society Ltd
Clare Marts Ltd
Tipperary Co-operative Creamery Ltd
Kerry Co-op Creameries
Donegal Co-operative Fisheries Ltd
Donegal Co-operative Processing Ltd
Castle Island Co-operative Live Stock Mart Ltd
Progressive Genetics Co-operative Society Ltd
Commercial Mushroom Producers Co-operative Society Ltd
South & East Coast Fishermen's Co-operative Society Ltd
Carbery Creameries Ltd
Arra Co-operative Society Ltd

County

Co. Cork
Co. Monaghan
Co. Cork
Co. Galway
Co. Kilkenny
Co. Donegal

Co. Monaghan
Co. Tipperary
Co. Cork
Co. Cork
Co. Sligo
Co. Cork
Co. Cork
Co. Tipperary

Co. Donegal
Dublin
Co. Cork
Co. Cork
Co. Cork
Co. Limerick
Co. Kilkenny
Co. Westmeath
Co. Donegal
Co. Tipperary
Co. Clare
Co. Tipperary
Co. Kerry
Co. Donegal
Co. Donegal
Co. Kerry
Dublin
Co. Monaghan
Co. Waterford
Co. Cork

AMALGAMATION OF SOCIETIES

Annagh Group Water Scheme Co-operative Society Ltd
Arrabawn Co-operative Society Ltd

Co. Cavan
Co. Tipperary

MODEL RULES APPROVED BY THE REGISTRY

Model Rules for Group Water Schemes

DAIRY CO-OPERATIVE SOCIETIES 2000

| Society | Notes | Members | Employees | Trading Performance (€'000) | | | Balance Sheet (€'000) | | | | | |
|-----------------------------------|--------|---------------|---------------|-----------------------------|----------------|-------------|-----------------------|------------------|------------------|----------------|----------------|-------------------|
| | | | | Total | Net | Net Profit | Assets Employed | | Financed By | | | % Debt/ Equity |
| | | | | Sales | Profit | % Sales | Fixed | Total | Members | Banks | Other | |
| | | | | • | • | | • | • | • | • | • | |
| Arrabawn | | 8,979 | 230 | 139,873 | 681 | 0.5% | 17,919 | 29,469 | 27,638 | 109 | 1,720 | 0.4% |
| Bandon | | 715 | 50 | 35,456 | 1,865 | 5.3% | 26,019 | 31,655 | 30,503 | 835 | 316 | 2.7% |
| Barryroe | | 731 | 97 | 44,631 | 2,126 | 4.8% | 25,141 | 34,903 | 33,228 | 1,130 | 545 | 3.4% |
| Boherbue | | 180 | 25 | 8,742 | 295 | 3.4% | 1,477 | 4,725 | 4,716 | 0 | 10 | 0.0% |
| Callan | | 161 | 16 | 7,803 | 235 | 3.0% | 818 | 3,565 | 3,565 | 0 | 0 | 0.0% |
| Centenary | | 1,260 | 58 | 39,495 | 1,238 | 3.1% | 6,195 | 16,964 | 16,964 | 0 | 0 | 0.0% |
| Connacht Gold (excluding mart) | | 19,306 | 500 | 256,372 | 2,421 | 0.9% | 38,504 | 50,753 | 39,518 | 7,466 | 3,769 | 18.9% |
| Corcaghan | | 288 | 4 | 2,442 | 55 | 2.3% | 769 | 1,592 | 1,592 | 0 | 0 | 0.0% |
| Dairygold (excl Mart) | | 10,916 | 2,833 | 857,698 | 8,897 | 1.0% | 274,074 | 334,294 | 287,710 | 35,541 | 11,043 | 12.4% |
| Doapey | | 100 | 3 | 3,569 | 5 | 0.1% | 197 | 1,153 | 110 | 0 | 1,042 | 0.0% |
| Drinagh | | 2,671 | 183 | 69,038 | 2,826 | 4.1% | 38,562 | 46,450 | 46,450 | 0 | 0 | 0.0% |
| Drombane | | 195 | 9 | 5,052 | 58 | 1.2% | 274 | 1,408 | 1,389 | 0 | 19 | 0.0% |
| Fealebridge | | 399 | 8 | 7,029 | 152 | 2.2% | 208 | 5,663 | 5,663 | 0 | 0 | 0.0% |
| Glanbia | note 3 | 18,663 | 11,017 | 2,401,741 | 48,034 | 2.0% | 573,310 | 751,814 | 142,607 | 316,485 | 292,723 | 221.9% |
| Glenveagh | | 1,653 | 126 | 97,653 | 3,859 | 4.0% | 28,636 | 29,885 | 29,154 | 0 | 730 | 0.0% |
| Golden Vale | note 3 | 3,500 | 2,329 | 759,187 | 18,771 | 2.5% | 205,668 | 193,772 | 96,997 | 48,664 | 48,112 | 50.2% |
| Irish Dairy Board | | 70 | 2,947 | 2,080,998 | 27,792 | 1.3% | 118,012 | 243,121 | 195,295 | 0 | 47,826 | 0.0% |
| Kerry | note 3 | 9,700 | 14,500 | 2,621,913 | 116,901 | 4.5% | 961,960 | 990,792 | 505,014 | 461,707 | 24,070 | 91.4% |
| Killasnett | | 281 | 10 | 3,882 | 57 | 1.5% | 64 | 928 | 928 | 0 | 0 | 0.0% |
| Lakeland | | 4,675 | 319 | 219,928 | 4,723 | 2.1% | 27,119 | 44,967 | 44,967 | 0 | 0 | 0.0% |
| Lee Strand | | 361 | 42 | 15,013 | 441 | 2.9% | 14,106 | 12,012 | 9,076 | 2,920 | 0 | 32.2% |
| Lisavaird | | 1,150 | 74 | 35,650 | 2,118 | 5.9% | 23,339 | 27,615 | 27,615 | 0 | 0 | 0.0% |
| Maudabawn | | 221 | 6 | 4,541 | 30 | 0.7% | 146 | 964 | 964 | 0 | 0 | 0.0% |
| Mullinahone | note 1 | 82 | 80 | 14,158 | 235 | 1.7% | 2,381 | 5,423 | 2,127 | 846 | 310 | 39.8% |
| Newmarket | | 720 | 58 | 38,841 | 1,116 | 2.9% | 4,243 | 11,255 | 11,255 | 0 | 0 | 0.0% |
| Newtownsandies | | 261 | 11 | 8,209 | 207 | 2.5% | 159 | 5,527 | 5,527 | 0 | 0 | 0.0% |
| North Cork | | 540 | 50 | 20,956 | 654 | 3.1% | 2,837 | 6,891 | 6,881 | 0 | 10 | 0.0% |
| Thurles | note 1 | 221 | 59 | 13,784 | 22 | 0.2% | 1,898 | 4,500 | 4,283 | 60 | 157 | 1.4% |
| Tipperary | | 1,961 | 137 | 106,784 | 1,166 | 1.1% | 13,511 | 22,958 | 21,146 | 948 | 863 | 4.5% |
| Town of Monaghan | | 1,500 | 120 | 94,783 | 988 | 1.0% | 4,553 | 32,001 | 31,693 | 170 | 138 | 0.5% |
| Wexford | | 681 | 2 | 27,467 | 10 | 0.0% | 815 | 1,865 | 1,865 | 0 | 0 | 0.0% |
| TOTAL | | 92,141 | 35,903 | 10,042,687 | 247,978 | 2.5% | 2,412,914 | 2,948,883 | 1,636,439 | 876,882 | 433,405 | 53.6% |

note 1: 1999 figures

note 2: Debt/Equity ratio calculated as follows: Long term debt and short term borrowings /Total members funds

Glanbia, Kerry Group and Golden Vale are from plc accounts.

note 3

0.787564

MART CO-OPERATIVE SOCIETIES STATISTICS 2000

| Society | Members | Employees (Incl. Part-time) | Trading Performance (€'000) | | | | | | Balance Sheet (€'000) | | | | | | |
|------------------------|---------|-----------------------------------|-----------------------------|-------------------------|---------------------|---------------|------------------------------------|-----------------------------|-----------------------|--------|-------------|-------|-------|------------------|-----|
| | | | Livestock Sales | Comm & Entry Fees | Deposit Interest | Net Profit | Comm & Entry Fees as % Sales | Net Profit as % Sales | Assets Employed | | Financed By | | | % Debt/Equity | |
| | | | | | | | | | Fixed | Total | Members | Banks | Other | | |
| 1 Athenry | 1,100 | 33 | • | • | • | 71 | 2.3% | 0.4% | 1,016 | 1,075 | 574 | 403 | 52 | 70.1% | |
| 2 Ballinasloe (note 3) | 850 | 36 | 16,504 | 433 | 4 | 13 | 2.6% | 0.1% | 1,262 | 1,803 | 973 | 344 | 240 | 35.4% | |
| 3 Ballyjamesduff | 400 | 31 | 15,410 | 235 | 0 | 533 | 1.5% | 3.5% | 744 | 2,435 | 39 | 0 | 2,397 | 0.0% | |
| 4 Birr | 500 | 18 | 10,914 | 243 | 10 | 22 | 2.2% | 0.2% | 284 | 495 | 453 | 0 | 42 | 0.0% | |
| 5 Castleisland | 313 | 25 | 29,947 | 836 | 46 | 199 | 2.8% | 0.7% | 1,110 | 1,795 | 162 | 0 | 1,607 | 0.0% | |
| 6 Castlereagh | 952 | 23 | 15,652 | 440 | 0 | 43 | 2.8% | 0.3% | 804 | 713 | 713 | 63 | 113 | 8.9% | |
| 7 Clare | 2,615 | 41 | 50,160 | 1,131 | 103 | 184 | 2.3% | 0.4% | 5,478 | 5,615 | 4,836 | 0 | 832 | 0.0% | |
| 8 Connacht gold | 0 | 0 | 59,170 | 2,029 | N/A | N/A | 3.4% | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 9 Cork Marts | 15,100 | 152 | 82,618 | 3,140 | 0 | 2,929 | 3.8% | 3.5% | 8,609 | 11,264 | 10,371 | | 893 | 0.0% | |
| 10 Dingle (note 3) | 270 | 15 | 3,496 | 110 | 0 | -62 | 3.2% | -1.8% | 226 | 389 | 437 | 0 | 0 | 0.0% | |
| 11 East Donegal | 283 | 21 | 8,775 | 210 | 11 | 40 | 2.4% | 0.5% | 329 | 604 | 604 | 0 | 0 | 0.0% | |
| 12 Golden Vale | 5,250 | 131 | 3,772 | 2,195 | 170 | 3 | 58.2% | 0.1% | 4,133 | 5,499 | 5,151 | 277 | 71 | 5.4% | |
| 13 Gort | 1,200 | 17 | 11,129 | 251 | 0 | -51 | 2.3% | -0.5% | 1,999 | 2,043 | 701 | 705 | 636 | 100.5% | |
| 14 Headford (note 3) | 550 | 17 | 3,935 | 151 | 0 | 5 | 3.8% | 0.1% | 188 | 336 | 210 | 0 | 0 | 0.0% | |
| 15 Inishowen (Note 2) | 0 | 0 | 9,747 | 130 | 13 | 18 | 1.3% | 0.2% | N/A | N/A | N/A | N/A | N/A | 0.0% | |
| 16 Iveragh (note 3) | 450 | 15 | 3,310 | 98 | 0 | 4 | 3.0% | 0.1% | 170 | 394 | 152 | 103 | 83 | 67.5% | |
| 17 Kanturk | 240 | 10 | 6,646 | 198 | 0 | -86 | 3.0% | -1.3% | 1,162 | 1,158 | 155 | 0 | 1,004 | 0.0% | |
| 18 Kenmare (note 3) | 600 | 13 | 2,539 | 114 | 0 | -10 | 4.5% | -0.4% | 463 | 522 | 212 | 130 | 37 | 61.1% | |
| 19 Kilkenny | 1,112 | 47 | 41,879 | 829 | 68 | 135 | 2.0% | 0.3% | 2,543 | 3,187 | 3,187 | 0 | 0 | 0.0% | |
| 20 Kingdom | 710 | 16 | \$3,803 | 145 | 0 | -63 | 3.8% | -1.7% | 1,844 | 1,794 | 1,150 | 557 | 86 | 48.5% | |
| 21 Leinster (note 3) | 1,026 | 19 | n/a | 333 | 11 | -56 | N/A | N/A | 1,021 | 1,858 | 552 | 182 | 0 | 32.9% | |
| 22 Mallow (Dairygold) | 0 | 0 | \$11,326 | N/A | N/A | N/A | 1.8% | 0.0% | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 23 Mayo Sligo | 980 | 20 | \$19,426 | 515 | 110 | 133 | 2.7% | 0.7% | 1,021 | 2,823 | 2,628 | 0 | 194 | 0.0% | |
| 24 Mid-Kerry (note 3) | 446 | 24 | 3,703 | 197 | 3 | 3 | 5.3% | 0.1% | 325 | 912 | 753 | 29 | 130 | 3.9% | |
| 25 Mid-Tipperary | 962 | 17 | 25,310 | 485 | 10 | 74 | 1.9% | 0.3% | 437 | 1,016 | 1,004 | 11 | 0 | 1.1% | |
| 26 Milford | 434 | 25 | \$5,347 | 146 | 20 | -11 | 2.7% | -0.2% | 166 | 668 | 668 | 0 | 0 | 0.0% | |
| 27 Nenagh | 687 | 23 | 17,996 | 390 | 39 | 19 | 2.2% | 0.1% | 1,185 | 1,625 | 1,299 | 254 | 72 | 19.6% | |
| 28 Roscommon | 37 | 487 | \$14,291 | 382 | 20 | -57 | 2.7% | -0.4% | 476 | 1,172 | 1,172 | 0 | 0 | 0.0% | |
| 29 Roscrea (Avonmore) | 20 | 2 | \$12,855 | | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A | N/A |
| 30 Templemore | 950 | 12 | 8,366 | 168 | 0 | 14 | 2.0% | 0.2% | 288 | 451 | 451 | 0 | 0 | 0.0% | |
| 31 Tuam | 1,300 | 20 | 19,570 | 452 | 0 | -24 | 2.3% | -0.1% | 536 | 703 | 560 | 61 | 83 | 10.9% | |
| 32 Waterford/Ross | 1,164 | 9 | \$7,593 | 183 | 0 | -14 | 2.4% | -0.2% | 424 | 387 | 387 | 0 | 0 | 0.0% | |
| 33 Wexford Farmers | 4,205 | 166 | 55,796 | 642 | 32 | 518 | 1.2% | 0.9% | 7,119 | 7,792 | 5,777 | 2,014 | 0 | 34.9% | |
| TOTAL | 44,706 | 1,485 | 601,192 | 17,283 | 687 | 4,523 | 2.9% | 0.8% | 45,362 | 60,529 | 45,332 | 5,132 | 8,572 | 11.3% | |

\$: Estimate N/A : Not Available

Note 1 : Cork Marts Commission and Entry Fee Figure Includes Deposit Interest and Other Income.

Note 2 : Balance sheet figures for Inishowen are shown in the table dealing with Store Societies.

Note 3: 1999 figures

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

FISHING CO-OPERATIVE SOCIETIES STATISTICS 2000

| Society | Members | Employees (Incl. Part-time) | Trading Performance (€'000) | | | Balance Sheet (€'000) | | | | | % Debt/Equity |
|------------------------------|------------|--------------------------------|-----------------------------|------------|--------------------|-----------------------|---------------|--------------|--------------|--------------|---------------|
| | | | Total Sales | Net Profit | Net Profit % Sales | Assets Employed | | Financed By | | | |
| | | | | | | Fixed | Total | Members | Banks | Other | |
| 1 Burtonport# | 352 | 114 | 8,646 | -314 | -3.6% | 2,286 | 5,269 | 2,200 | 201 | 833 | 9.1% |
| 2 Castletownbere# | 59 | 130 | 21,410 | 399 | 1.9% | 1,505 | 3,790 | 1,940 | 893 | 317 | 46.0% |
| 3 Donegal# | 82 | 3 | 676 | 18 | 2.6% | 46 | 122 | 9 | 0 | 90 | 0.0% |
| 4 Dunmore East# | 32 | 12 | 4,332 | 51 | 1.2% | 592 | 936 | 217 | 121 | 176 | 55.6% |
| 5 Foyle | 18 | 8 | 789 | 26 | 3.3% | 190 | 596 | 564 | 17 | 15 | 2.9% |
| 6 Galway & Aran | 61 | 26 | 10,523 | 7 | 0.1% | 955 | 851 | 851 | 0 | 0 | 0.0% |
| 7 Greencastle | 13 | 3 | 1,584 | -35 | -2.2% | 70 | -37 | -37 | 0 | 0 | 0.0% |
| 8 Meitheal Na Mara Rinne Teo | 91 | 3 | 583 | 9 | 1.6% | 42 | 108 | 108 | 0 | 0 | 0.0% |
| 9 South & East Coast | 95 | 2 | 1,040 | 28 | 2.7% | 252 | 464 | 410 | 0 | 54 | 0.0% |
| 10 South Wexford Lobsters# | 24 | 1 | 100 | 11 | 11.4% | 18 | 46 | 29 | 7 | 8 | 24.0% |
| TOTAL | 827 | 302 | 49,683 | 201 | 0.4% | 5,954 | 12,145 | 6,293 | 1,238 | 1,493 | 19.7% |

N/A = Not Available

Note : The symbol # indicates that 1999 figures have been used where 2000 figures are unavailable.

WHOLESALE CO-OPERATIVE SOCIETIES STATISTICS 2000

| Society | Members | Employees | Trading Performance (€'000) | | | Balance Sheet (€'000) | | | | | % Debt/Equity |
|-----------------------|------------|-------------|-----------------------------|---------------|--------------------|-----------------------|----------------|----------------|----------------|--------------|---------------|
| | | | Total Sales | Net Profit | Net Profit % Sales | Assets Employed | | Financed By | | | |
| | | | | | | Fixed | Total | Members | Banks | Other | |
| 1 Co-op Animal Health | 2 | 66 | 15,315 | 308 | 2.0% | 2,175 | 4,337 | 4,327 | 0 | 10 | 0.0% |
| 2 Irish Co-op Society | 29 | 120 | 16,327 | 535 | 3.3% | 11,339 | 12,738 | 8,203 | 4,536 | 0 | 55.3% |
| 3 I.A.W.S | 103 | 1784 | 982,186 | 37,052 | 3.8% | 300,483 | 259,176 | 123,655 | 129,819 | 5,702 | 105.0% |
| TOTAL | 134 | 1970 | 1,013,828 | 37,895 | 3.7% | 313,998 | 276,252 | 136,186 | 134,355 | 5,712 | 98.7% |

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

OTHER CO-OPERATIVE SOCIETIES STATISTICS 2000

| Society | Members | Employees (Incl. Part-time) | Trading Performance (€'000) | | | | Balance Sheet (€'000) | | | | % Debt/ Equity |
|--------------------------------------|--------------|--------------------------------|-----------------------------|---------------|-----------------------|-----------------|-----------------------|---------------|------------|--------------|-------------------|
| | | | Total Sales | Net Profit | Net Profit % Sales | Assets Employed | | Financed By | | | |
| | | | | | | Fixed | Total | Members | Banks | Other | |
| CATTLE BREEDING SOCIETIES | | | | | | | | | | | |
| 1 NWCBS | 8 | 14 | 1,277 | 25 | 1.99% | 792 | 928 | 928 | 0 | 0 | 0.00% |
| 2 Munster CBS# | 50 | 4 | 1,026 | 19 | 1.86% | 4 | 1,036 | 0 | 0 | 0 | 0.00% |
| 3 Progressive Genetics# | 3500 | 84 | 7,420 | 358 | 4.83% | 3,059 | 6,204 | 1,967 | 146 | 323 | 7.42% |
| 4 SECBS | 10 | 42 | 3,072 | -97 | 0.00% | 1,765 | 3,237 | 3,237 | 0 | 0 | 0.00% |
| 5 South Western Services | 5 | 230 | 12,645 | 1,081 | 8.55% | 6,306 | 7,150 | 6,467 | 0 | 683 | 0.00% |
| STORE SOCIETIES | | | | | | | | | | | |
| 6 Clonleigh | 650 | 21 | 9,495 | 207 | 2.18% | 691 | 1,845 | 1,845 | 0 | 0 | 0.00% |
| 7 Inishowen (Note 1) | 1900 | 47 | 9,747 | 429 | 4.40% | 1,428 | 2,807 | 2,750 | 20 | 37 | 0.74% |
| PIG SOCIETIES | | | | | | | | | | | |
| 8 Glen of Aherlow | 173 | 18 | 4,061 | 46 | 1.14% | 1,928 | 6,003 | 5,237 | 0 | 766 | 0.00% |
| 9 Roughly Valley# | 20 | 9 | 1,393 | -90 | -6.47% | 1,641 | 1,997 | 326 | 396 | 157 | 121.40% |
| 10 National Co-op Pig Producers | 7 | 0 | 8 | -12 | -162.17% | 1 | 5 | 5 | 0 | 0 | 0.00% |
| SPECIALIST BREEDING SOCIETIES | | | | | | | | | | | |
| 11 Irish Charolais Cattle | 2671 | 5 | 950 | 69 | 7.22% | 133 | 1,095 | 1,095 | 0 | 0 | 0.00% |
| 12 Irish Limousin | 1100 | 3 | 324 | 69 | 21.18% | 311 | 373 | 373 | 0 | 0 | 0.00% |
| 13 Irish Pedigree Pigs (reg)# | 8 | 1 | 9 | 1 | 14.29% | 1 | 13 | 6 | 0 | 6 | 0.00% |
| 14 Irish Simmental | 800 | 2 | 215 | -23 | -10.65% | 14 | 173 | 173 | 0 | 0 | 0.00% |
| RADIO SOCIETIES | | | | | | | | | | | |
| 15 Kilkenny Com. Radio | 3200 | 23 | 728 | 22 | 2.97% | 143 | 291 | 291 | 6 | 0 | 2.21% |
| 16 Tipperary Mid-west Radio# | N/A | N/A | 220 | 39 | 17.92% | 28 | 164 | 97 | 0 | 0 | 0.00% |
| MISCELLANEOUS SOCIETIES | | | | | | | | | | | |
| 17 Co-op Travel | 1 | 10 | 5,540 | 36 | 0.64% | 85 | 392 | 392 | | | 0.00% |
| 18 Country Markets | 13331 | 2 | 2,292 | 6 | 0.28% | 9 | 166 | 166 | 0 | 0 | 0.00% |
| 19 Co Clare Agri Show# | 143 | 3 | 93 | -9 | -9.59% | 143 | 199 | 140 | 50 | 10 | 35.45% |
| 20 IFAC | 14434 | 110 | 7,526 | 353 | 4.69% | 900 | 5,173 | 5,173 | 0 | 0 | 0.00% |
| 21 Irish Dairy Records # | 28 | 3 | 165 | 132 | N/A | | | | | | |
| 22 Irish Farm Centre | | | | | N/A | | | | | | N/A |
| 23 Irish Horse Board | 9800 | 12 | 898 | 37 | 4.12% | 44 | 517 | 517 | 0 | 0 | 0.00% |
| 24 Nat Co-op Farm Relief | 20000 | 117 | 436 | 11 | 2.62% | 170 | 479 | 479 | 0 | 0 | 0.00% |
| TOTAL | 71839 | 760 | 69,537 | 2,709 | 3.90% | 19,598 | 40,246 | 31,662 | 618 | 1,983 | 1.95% |

N/A = Not Available

Note 1 : Turnover figure for Inishowen Co-op Society does not include a figure for turnover of livestock in mart.

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

Note : The symbol # indicates that 1999 figures have been used where 2000 figures are unavailable.

TOURISM/RURAL DEVELOPMENT SOCIETIES STATISTICS 2000

| Society | Members | Employees (Incl. Part-time) | Trading Performance (€'000) | | | Balance Sheet (€'000) | | | | | |
|------------------------------------|------------|--------------------------------|-----------------------------|---------------|-----------------------|-----------------------|--------------|-------------|------------|------------|-------------------|
| | | | Total Sales | Net Profit | Net Profit % Sales | Assets Employed | | Financed By | | | % Debt/ Equity |
| | | | | | | Fixed | Total | Members | Banks | Other | |
| 1 Cavan/Monaghan | 21 | 9 | 305 | 19 | 6.25% | 18 | 168 | 93 | 0 | 75 | 0.00% |
| 3 C C Chleire# | 627 | 6 | 113 | 11 | 10.11% | 57 | 160 | 29 | 29 | 13 | 0.00% |
| 4 CC Comhdhail Oileain na hEireann | 33 | 5 | 988 | 0 | 0.00% | 9 | 112 | 110 | 1 | 0 | 1.15% |
| 4 Kilrush Development# | 10 | 17 | 2,322 | 13 | 0.55% | 1,247 | 1,275 | 465 | 207 | 601 | 44.54% |
| Total | 691 | 37 | 3,728 | 43 | 1.16% | 1,331 | 1,714 | 697 | 237 | 688 | 34.06% |

N/A = Not Available

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

Note : The symbol # indicates that 1999 figures have been used where 2000 figures are unavailable.

SUMMARY OF STATISTICS 2000

| | Total | Dairies | Marts | Wholesale | Fishing | Tourism | Others Rural Dev. |
|-------------------------------|------------|------------|---------|-----------|---------|---------|----------------------|
| Number of Societies | 105 | 31 | 33 | 3 | 10 | 4 | 24 |
| Members | 210,338 | 92,141 | 44,706 | 134 | 827 | 691 | 71,839 |
| Employees | 40,457 | 35,903 | 1,485 | 1,970 | 302 | 37 | 760 |
| Trading Performance (€'000's) | | | | | | | |
| Total Sales | 11,780,654 | 10,042,687 | 601,192 | 1,013,828 | 49,683 | 3,728 | 69,537 |
| Net Income | 293,349 | 247,978 | 4,523 | 37,895 | 201 | 43 | 2,709 |
| Net Income as % of Sales | 2.49% | 2.47% | 0.75% | 3.74% | 0.40% | 1.16% | 3.90% |
| Balance Sheet (€'000's) | | | | | | | |
| Fixed Assets | 2,799,157 | 2,412,914 | 45,362 | 313,998 | 5,954 | 1,331 | 19,598 |
| Total Assets | 3,339,769 | 2,948,883 | 60,529 | 276,252 | 12,145 | 1,714 | 40,246 |
| Members Funds | 1,856,609 | 1,636,439 | 45,332 | 136,186 | 6,293 | 697 | 31,662 |
| Bank Borrowings | 1,018,463 | 876,882 | 5,132 | 134,355 | 1,238 | 237 | 618 |
| Other | 451,853 | 433,405 | 8,572 | 5,712 | 1,493 | 688 | 1,983 |
| Debt/Equity | 54.86% | 53.58% | 11.32% | 98.66% | 19.67% | 34.06% | 1.95% |

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

Note : In the case of Marts, the number of societies figure excludes other societies with Mart operations to avoid double counting.

POLICY DEVELOPMENT DIVISION

INTRODUCTION

The Policy Development Division provided services to its member co-operatives on a wide range of issues during 2001, including milk, meat, animal health, livestock mart and EU policy issues. The year proved especially demanding due to the outbreak of Foot and Mouth Disease and the host of necessary precautions and changes which had to be implemented in the milk and meat sectors. In addition, changes in the EU beef policy were agreed, to take account of the identification of BSE in Continental EU countries. Finally, the agriculture WTO discussions progressed slowly and the Commission confirmed that the Mid-Term Review of the Agenda 2000 Agreement would be carried out in 2002, along with the finalisation of the EU Enlargement negotiations with the 13 applicant countries.

FOOT AND MOUTH DISEASE

The outbreak of Foot and Mouth in the UK in February, followed by the confirmation of one case in County Louth, gave rise to extensive precautionary changes. The principal impact on co-operatives was the suspension of mart livestock auctions for a number of months, which resulted in a serious loss of income for co-operative marts. In addition, milk collection, processing facilities and export certification requirements were modified. These modifications added significant costs to the sector in equipment, administration and management time.

ICOS and co-operatives worked closely with practically all the Department of Agriculture, Food and Rural Development divisions which were co-ordinating the countrywide effort to constrain the spread of the disease in Ireland. This combined effort involving farmers, co-operatives and the general public was instrumental in successfully limiting the impact of the disease in Ireland.

MARKET SUPPORTS

Dairy product markets performed strongly in the first half of 2001, largely due to a good supply and demand balance for products on the EU and export markets. In fact, throughout the year the EU Commission reduced export refunds substantially, in order to reduce EU market prices. As world market prices declined in the latter half of the year, the Commission started to increase refunds again. As the increase in refunds proved too little too late, milk product prices declined to below intervention levels for certain products. ICOS continued to lobby for refund increases throughout the latter part of the year and into 2002.

During the year, ICOS also reviewed the effects of the EU Commission Seven Point Plan to reform the beef sector. In particular, ICOS opposed several elements of the plan on the basis that they represented a fundamental long term change in policy in response to what was expected to be a shorter term BSE induced reduction in EU beef consumption levels. In particular, ICOS opposed the proposals which would have affected the output of beef from the Irish suckler herd, as these proposals would affect Ireland more than other EU countries. Otherwise, ICOS supported the introduction of short-term market balancing mechanisms such as intervention and the destruction and special purchase schemes.

CENTRAL AND EASTERN EUROPEAN CONSULTANCY

During 2001, ICOS commenced a new Commission funded project in Central Europe with COPA/COGECA and the Swedish Farmers and Co-operative Organisation, LRF. The project provides additional advice to farmer and co-operative organisations in Central Europe and increases the participation of representatives from these countries in COPA/COGCA meetings. In addition, ICOS's subsidiary consultancy company carried out additional EU funded project work in the Czech Republic and it continued to tender for new projects.



John Tyrrell, Director General and Brian Joyce, Chairman, EBS and speaker at the ICOS National Conference 2001.

THE MID-TERM REVIEW AND WTO NEGOTIATIONS

ICOS commenced its own review of milk and other policies in the latter part of 2001, commencing with the National Conference and a dedicated workshop on the Future of Milk Policy. ICOS reviewed the factors which will effect the future of milk policy and especially the milk quota regime. These factors

include the outcome of the EU Commission reports, which will assess how well the regime has worked to date and a scenario analysis of the options for the future. The other significant factors will include the outcome of the Millennium Round of the WTO Negotiations, which is scheduled to be agreed by January 2005, and the Enlargement of the EU. ICOS continued its review throughout late 2001 and into 2002. The review involved discussions with co-operative representatives through the ICOS Dairy Committee, meetings with co-op managers, co-op boards and public meetings. The outcome of the review will determine the ICOS position in the preparation for the Mid-Term Review discussions in 2002.

STRATEGIC DEVELOPMENT IN THE CO-OPERATIVE MARTS SECTOR

The ICOS Strategy for the development of marts was launched in late 2000 and it was discussed with co-operative marts during 2001. ICOS staff held discussions with a number of marts in a number of regions throughout the country to assess what would be the best future strategy for co-op marts in providing services to livestock producers in their specific regions. A number of these assessments continued into 2002 and ICOS intends to assist additional marts in preparing their strategies in 2002. Overall, the challenges facing the sector have increased due to the impact of Foot and Mouth and reductions in the trading of livestock due to regulatory and market changes.

DAIRY COMMITTEE

Introduction

For the Dairy Committee, the past year has been dominated by milk quota availability and a continued awareness of the ongoing increase in standards both at farm level and in our processing co-operatives. In addition, a background of declining milk price returns from the international markets placed extra responsibility on the dairy farmer in choosing options most suitable to his situation.

Milk Quota

Uncertainty and unpredictability dominated the quota year, which has ended on the 31st of March 2002. The early part was dominated by the unpredictability of the fall-out from Foot and Mouth, particularly in regard to the retention of excess dairy stock on individual farms, owing to restrictions on their disposal and also the uncertainty whether Foot and Mouth would contribute towards a delay in calving at the quota year-end.

National Position

The Dairy Committee conducted a survey of the 20 largest milk purchasers at the end of February 2002. This indicated an over quota position of 18 million gallons. This position was advised to all co-operatives and the Dairy Committee through the newsletter. At that stage a projection of between 7 and 10 million gallons over quota was deemed the most likely. Through March, major cutbacks were achieved on a week-by-week basis and substantial carryover volumes were predicted. In a revision of the projection for the quota year-end figure on the 27th of March, co-operatives were advised that the most likely position was approximately 4 million gallons over quota. The rate of super levy is 36.6853 cent per litre or €1.6677 per gallon. A final over quota position of between 3 and 4 million gallons is expected.



John Tyrrell, Director General, Dessie Boylan, President and Willi Kampmann, German Farmers Union and Martin Varley (Director of Policy, ICOS).

Additional Quota For Ireland

The enormous detail in the administration of additional quota was once again left to the co-operative staff. Ireland received a total of 32 million gallons, under Agenda 2000. 20.5 million gallons was allocated from the April 1st, 2000 and 11.5 million gallons for allocation from April 1st, 2001.

In early July 2001, the Minister announced an extension to the young farmers allocation. This extension applied to those who did not receive an allocation from the 5 million gallon scheme in 2000 on educational grounds but who have now obtained the necessary education qualifications since the October 13th, 1999. Also, new entrants to dairying who took over the dairying enterprise between the October 14th, 1999 and the March 31st, 2001 and who is well currently in milk production will also be entitled to the 1,300 gallons across the board allocation. In both cases they must satisfy the eligibility criteria of last years young farmer allocation and applications were required by the Department by July 27th, 2001.

The balance and final allocation of additional quota to Ireland received under the Agenda 2000 Agreement is 7.1 million gallons, which will be directed to those producers who have been involved in the Farming Modernisation Scheme, or the Reduced Interest Scheme for farmers in financial difficulties in the early 1980's, or who were affected by an outbreak of animal disease in their herd during the late 1970's. Application forms have been circulated and the closing date was the end of February 2002. Applications will be assessed by the Appeals Tribunal and the permanent allocation made from the April 1st, 2002. In many cases, there is a difficulty with the necessary back-up documentation, which in some instances may not be available.

ICOS continues to alert dairy farmers that in the quota year just ended, the additional quota has been virtually entirely utilised through increased levels of butterfat. In the quota year just ended, with a virtual zero carry forward in dairy farmers milk tanks, the country reached unprecedented over quota positions by the end of the calendar year and large milk retentions in the last days of March 2002 were required to bring the country down to an over quota position of approximately 3.0 million gallons. Unless dairy farmers assess their own individual stocking rates and butterfat returns there is a great danger that the extra quota will give rise to a false sense of security and major super levy charges will be a direct consequence over the coming years.

Butterfat

The actual butterfat level for 2000 - 2001 supply was 3.7139%. The reference figure was 3.582%. The EU average for supply last year was 4.1%. As the following table indicates, virtually all European

| | Base Butterfat Reference (%) | Actual Butterfat 2000 - 2001 (%) |
|-------------|---------------------------------------|---|
| Belgium | 3.69 | 4.09 |
| Denmark | 4.36 | 4.28 |
| Germany | 4.01 | 4.22 |
| Greece | 3.61 | 3.67 |
| Spain | 3.63 | 3.74 |
| France | 3.95 | 4.09 |
| Ireland | 3.58 | 3.71 |
| Italy | 3.69 | 3.66 |
| Luxembourg | 3.91 | 4.20 |
| Netherlands | 4.24 | 4.38 |
| Portugal | 3.75 | 3.84 |
| U.K. | 3.97 | 4.02 |

| Quota Year | Restructuring | | | |
|---------------|---------------|------|------|------|
| | M/gls | £/gl | £/gl | c/lt |
| 97 - 98 | 18.3 | 1.75 | 2.22 | 48.8 |
| 98 - 99 | 13.3 | 1.60 | 2.03 | 44.6 |
| 99 - 00 | 17.4 | 1.55 | 1.97 | 43.3 |
| 00 - 01 | 62.1 | 1.36 | 1.73 | 38.1 |
| 01 - 02 | 18.2 | 1.23 | 1.56 | 34.2 |
| 02 - 03 | - | 1.11 | 1.41 | 31.0 |

| Quota Year | Temporary Leasing | | | |
|---------------|-------------------|------|------|------|
| | M/gls | £/gl | c/gl | c/lt |
| 97 - 98 | 58.6 | 27 | 34 | 7.48 |
| 98 - 99 | 69.5 | 25 | 32 | 7.04 |
| 99 - 00 | 63.1 | 25 | 32 | 7.04 |
| 00 - 01 | 38.7 | 18.2 | 23 | 5.06 |
| 01 - 02 | 25.0 | 15.9 | 20 | 4.40 |
| 02 - 03 | - | 14.3 | 18 | 4.00 |

dairying countries are producing well in excess of the reference figure. The excess butterfat on the Irish quota represented 27 million gallons.

The E.U. average reference is 3.96. The granting of this figure to Ireland would result in an extra quota of 90 million gallons.

Quota Schemes

ICOS supports the thrust of the Ministers policy in regard to the price paid for restructuring and temporary leasing quota. In announcing the details of the Quota Schemes in March 2002, the Minister said that "he was continuing with his policy of reducing the price to both the purchaser and leesees of quota and was ensuring that the available quota would continue to be directed to small or medium sized producers as well as to young farmers." The maximum prices announced by the Minister were 31 cent per litre for restructuring and 4 cent per litre for temporary leasing. This equates to €1.41 per gallon (£1.11) and 18 cent per gallon (14.3p per gallon).

For all schemes the category bands remain as last year, that is, category I under 180,000 litres, category II - 180,000 - 275,000 litres and category III - over 275,000 litres. Priority entitlements have been removed from the restructuring and temporary leasing schemes, with the priority allocations received in the previous two quota years. The only priorities remaining are for producers with land quota leases expired in the

current quota year and were not renewed because the lessor was returning to milk production or not renewed for any other reason. In the former case, the lessee will have an entitlement to 2/3 of his leased quota and in the latter case, 1/3. The remainder of the pool will be divided 25% to young producers and new entrants along the same criteria as in previous years. The minimum allocation to new entrants is 50,000 litres. The remaining 75% of the pool is divided among all producers, making application under the scheme in the ratio 3:2:1 over the respective categories.

Dairy Partnerships

On March 21st, 2002, the Minister signed Statutory Instrument No. 97 of 2002, which gave effect to Dairy Partnerships under the Milk Quota Legislation. A detailed summary of the Statutory Instrument has been circulated by the Secretary of the Dairy Committee to all co-operatives.

Regulations include fairly strict conditions on eligibility and require that a milk production partnership comprises the pooled quotas, land, facilities and herds of two producers. With the exception of some specialist enterprises, all aspects of the farm enterprise must be combined but the partners will continue to have access to milk quota in their own right. It is crucial that all prospective partners consider all aspects before entering into partnership. The Minister has announced that given the innovative nature of these regulations, they will operate on a pilot basis initially and he has included a provision for a review within about 18 months. The appropriate fee for application is €500 and for renewal €250.

Hygiene Regulations

Dairy Herd Health Certificates have now been circulated to the co-operatives for distribution to individual dairy farmers. The requirement is therefore that all dairy herds must undergo inspection during 2002 and certification must be in place by December 31st, 2002 at the latest. Failure to have the certificate in place by this latter date will result in milk rejection.

In addition, the Department plan this year to put in place the inspection approval of farms under the National Beef Assurance Scheme. It is intended that on-farm inspections will be carried out in 2002 by registered veterinary surgeons in conjunction with the TB and Brucellosis rounds. The National Beef Assurance Scheme applies to all persons engaged in the primary production and processing of cattle and

beef. Participants are deemed to be provisionally approved until they are granted or refused a Certificate of Approval by the Minister. This scheme covers all herds.

Our member co-operatives and the Dairy Committee have encouraged and promoted the attainment of the highest possible standards both at processing and farm level. The following points are recognised:

- Council Directive 92/46, adopted in Ireland by Statutory Instrument No. 9 of 96, provides the fundamental and basic standard at farm level, at processing level and also provides a minimum quality standard for raw milk.
- The implementation of the standards outlined in 92/46 has not been satisfactory in Ireland. At this point in time approximately 60% of dairy farms have been visited and certified under the directive. Dairy co-operatives, through various schemes, have ensured that over 90% of dairy farmers are deemed to be compliant. In addition, dairy co-operatives have encouraged dairy farmers to achieve higher standards for total bacteria and somatic cell counts. Currently, approximately 95% of milk supplied has a TBC of less than 50,000 - way in excess of the standard defined in Council Directive 92/46, while 98% of dairy farmers meet the somatic cell count standard of 400,000.
- The maintenance of the standards are an ongoing concern to our dairy co-operatives. Farmers certified under 92/46 should now be receiving a revisit. The total area of responsibility of maintenance of the standards is left with the advisory staff of the co-operatives.
- The ongoing difficulty regarding the veterinary certification required under 92/46 is another area of concern to our co-operatives.
- Council Directive 92/46 established the Health Mark as an identifiable standard achieved throughout the E.U. This is a worldwide recognised standard and if it is seen to be out of date or inadequate in any

way then we feel that the updating of this standard is more beneficial for all sectors of the industry rather than specific demands from purchasers of product to meet their standard.

- In regard to food safety, the main areas of concern would fall under the following headings: - antibiotics; pesticides; disease; meat and bone meals; and hormones.
- In all those cases, proper legislation does exist in the same way as it exists for a dairy farmer to maintain proper animal records. We must ask on various occasions where is the policing, as in many incidences particular issues are left to the co-operatives to administer.



Willi Kampman, German Farmers Union (Speaker), Dessie Boylan and Sean O'Sullivan, Cork Marts (Speaker) at the ICOS National Conference.

B.S.E.

The monthly cases of B.S.E. so far this year are averaging at 38 cases per month. The threshold figure is 390 cases in a continuous 12-month period and should Ireland breach this figure then it loses its disease free status. However, both the Department and the Food Safety Authority expect B.S.E. to peak this year but that there will be an easing off of numbers during the summer months. The number of B.S.E. cases in the year 2000 was 145, with 242 cases in 2001.

Last Autumn the Food Safety Authority, acting on request from the Minister for Health, examined the feasibility of a B.S.E. Cattle Cull. The findings of the report suggest that, providing all existing controls and regulations are strictly complied with, there is no added Food Safety value of a cull of older cows in pre-clinical stages of the disease. Their report also confirmed that animals born after January 1st, 1998, pose no risk to consumer health, as they would not have been exposed to contaminated meat and bone meal, and therefore could not be incubating B.S.E. The report examined various scenarios of culling including removal of all cattle born before 1998, those born before 1996, removal of animals of particular birth cohorts; particular birth cohorts from the dairy sector and various geographical areas where there is a high incidence of B.S.E.

NATIONAL CO-OPERATIVE MARTS COMMITTEE

Introduction

The year under review will be long remembered in Mart circles. Not since the calamitous year of 1974 has mart trading and profitability been so badly hit. In this instance stock numbers and sales were the main problems, not markets and stock prices.

When B.S.E. was found in Germany in November 2000, cattle numbers in marts fell off dramatically into the New Year. With Foot and Mouth declared in England on February 21st, and the subsequent closure of all markets under Ministerial Order with effect from February 27th, had no sales for a period of 16 weeks. Marts were finally permitted to resume for cattle sales on June 18th, with sheep sales following on August 7th. For the weeks following reopening, cattle numbers in marts were strong due to significant carry-over of stock. However, the numbers handled for the Autumn period overall proved very disappointing.

The Marts Committee met on three occasions during the year, with the Administration Committee meeting on four occasions. Regular meetings of Managers were held in Portlaoise to deal with the F.M.D. situation, with joint meetings of Chairman and Managers also held in the build-up to resuming normal business.

WORK OF THE COMMITTEE

F.M.D.

The closure of all marts for business on February 27th resulted in a heightened level of lobbying activity in the months leading to resumption of normal business. This activity was geared towards ensuring that marts

were not sidelined in the scramble to achieve normality. In this regard, the farming organisations were very much to the fore at all times. For this they deserve our special thanks and appreciation.

It quickly became evident that pricing of stock could not proceed in the absence of marts sales. In the circumstances, direct farm-to-farm sales were not likely to happen to any significant extent. For the duration of the closure, individual marts were approved as Assembly Centres for factory lambs and also for beef, operating under very strict protocols.

The announcement by Minister Joe Walsh on May 23rd of an indicative date of June 18th for resuming cattle sales was welcomed. A flurry of activity followed in subsequent weeks, with a top-level meeting of all the farming bodies in the Department of Agriculture on June 12th.

The Minister's decision to continue with the 30-day retention period on the resumption of mart sales was opposed by ICOS.

The operation of the 30-days did not result in the expected disaster in cattle prices for the Autumn period, with increased farmer activity in the salesrings. A number of concessions were granted to facilitate dealer activity within the 30-day period, with the 30-day restrictions remaining in place right up to the end of the year. The need to reconsider the application of the rule is a significant issue for marts going into 2002.

Dealer Regulations And Registration

Under the Diseases of Animals Acts (1966 and 2001), S.I. No. 79, was signed by the Minister of Agriculture on March 13th. The Order provided for the approval and registration of dealers, making it illegal for dealers to operate without such approval and registration. Meetings were held with Department of Agriculture officials in the September/October period. The principal bone of contention concerned the position of agents handling stock in marts.

The New Regulations were due to come into force in Livestock Marts on March 1st 2002.

F.M.D. Rates Relief For Marts

Discussions were held with the Department of Agriculture to seek their support for rates relief for marts for the 16-week period of closure due to the Ministerial Order on Foot and Mouth. This was followed by a Submission to the Department of the

Environment for financial support which was refused.

By the New Year 2002 a number of marts had negotiated deals with their respective Local Authorities, with other marts following this example. Overall, a successful outcome is assured.

Sheep Identification

Sheep Identification got underway in marts on the basis of individual animal tag numbers on August 7th. The dispatch documents, together with temporary tags, proved particularly onerous for farmers and marts alike. The operation of the scheme will be reviewed in 2002.

Farm Animal Welfare Council

In October/November, Minister Joe Walsh TD served notice that he was establishing a Farm Animal Welfare Council to advise him on all aspects of stock welfare. The ICOS National Council on February 19th, 2002 nominated Mr. Tom Doyle of Wexford Farmers Co-operative and Vice-Chairman of the Committee to represent ICOS and Co-operatives on the Council.

Co-Op Merger Voting Rule

The Dail and Seanad approved an amendment to Co-op Legislation, changing the voting requirement for the merging of co-op businesses. This measure will simplify the procedures for merging marts, which has been sought by ICOS in the Co-op Mart Strategy reports (1992 and 2000). ICOS welcomes this development.

ICOS BRUSSELS

Introduction

The Brussels office of ICOS exists to act as a link between the European Institutions and the Irish co-operative movement. The office provides information on all aspects of EU policy as well as details on likely future developments and facilitates co-operatives in meeting decision-makers in the European Commission and Parliament. The Brussels office maintains daily contact with the European institutions to ensure that all policy issues are actively monitored and to ensure that ICOS and member co-operatives have the most up to date information available.

Through the Brussels office, ICOS plays an important role in influencing the development of European agricultural policy through direct contact with key decision makers at European level.

Dairy

Buoyant product prices in 2000 declined in the second half of 2001 and export refunds, which had been as low as zero for SMP, were gradually increased. The Court of Auditors was again busy in 2001, producing reports on milk quotas and export refunds including the opinion that there should be proposals for a fundamental reform of the dairy sector in 2002 but this was rejected by the Commission.

Beef

EU beef production rose 6% in 2001, primarily due to a backlog of production from 2000, while consumption fell by 6%. Intervention, the purchase for destruction and special purchase schemes, took 800,000 tonne off the market and export markets were very difficult, with Russia being the main buyer. In June, a Commission Seven Point Plan to bring production closer to demand was agreed.

The outbreak of Foot-and-Mouth Disease in the UK led to a ban on livestock marts in Ireland, a ban on the export of live animals and the US banning EU pig imports. In December, in preparation of an EU proposal on FMD in 2002, a conference in Brussels discussed the future of vaccination in the event of another outbreak.

WTO

WTO agriculture negotiations continued in informal sessions of the agriculture committee throughout 2001 and culminated in the Doha Ministerial Conference in November. At Doha, WTO members committed themselves to improving market access, reducing export subsidies, and reductions in trade distorting domestic support. This commitment was made without prejudging the outcome, which was crucially important for the EU. It was agreed that the modalities would be established by March 2003, with overall agreement by January 1st, 2005.

Enlargement

During 2001, all 31 negotiating chapters were opened with ten applicant countries (except Romania and Bulgaria) and it became apparent that the Commission will propose that enlargement would take place in 2004 with all ten applicants. In November, the Commission published a progress report emphasising the need for more restructuring at farm and processing level. Proposals on direct payments and quotas are due in January 2002.

Other issues that ICOS Brussels worked on during the year are:

- Review of Veterinary Medicines legislation
- Mid-term review of the CAP
- Statute for a European Co-operative Society
- White Paper on Co-operatives
- CAP Budget
- R&D programmes
- Simplification of the CAP
- Rural development
- Reform of the sheepmeat sector
- Food safety
- Environment issues

COGECA

ICOS is a member of COGECA, the umbrella body for co-operatives in the EU, and has maintained an office in Brussels since 1973. COGECA provides ICOS with a forum to meet its counterparts from the other member states of the European Union, to develop common positions and to lobby collectively in Brussels for co-operatives in Europe. Representing over 30,000 co-operatives, COGECA is an influential voice in Brussels.

Mr. Marcus Borgström, a farmer and co-op director from Finland, was elected President of COGECA in December 2001.

In June, the Praesidium of COGECA met with Commissioner Liikanen on enterprise policy in the EU and in July the Praesidium met, in the presence of Commissioner Fischler, with representatives of co-op organisations from all the applicant countries. John Tyrrell made a presentation of co-operatives in Ireland to the same meeting.

COGECA held a workshop on public companies controlled by co-operatives in Florence, Italy, in November. Seamus O'Donohoe spoke about the experience in Ireland.

ICOS Representatives

| | | | |
|--|------------------------------------|--------------------|------------------|
| Cogeca Praesidium | Dessie Boylan John Tyrrell | Environment | Michael Quigley |
| CAP Advisory Committee | John Tyrrell | Oilseeds/Cereals | John Rice |
| Milk And Dairy Products | Martin Varley George Kearns | Animal Breeding | Bernard Eivers |
| Beefmeat | Maurice Colbert | Veterinary Matters | Sean Crowley |
| Sheepmeat | Maurice Colbert | Legal Questions | Michael Quigley |
| European Association Of Livestock Marts | Michael O'Dwyer Maurice Colbert | Training | TJ Flanagan |
| Feedstuffs | Eamonn Walshe | Fisheries | Mark Lochrin |
| Foodstuffs Seeds | Michael Hickey Gerry Griffith | Agritourism | Seamus O'Donohoe |
| Agricultural Structures | TJ Flanagan | Quality & Health | George Kearns |

**PERMANENT REPRESENTATIVE IN BRUSSELS
MICHAEL QUIGLEY**



John Tyrrell, Director General, Dessie Boylan, President and Kieran Calnan, Chief Executive South Western Services, who spoke at the ICOS National Conference.

MEMBER DEVELOPMENT DIVISION

EDUCATION AND DEVELOPMENT

Director Development.

This year, ICOS Director Training was taken to a new level with the initiation of the Joint Programme between ICOS and University College Cork, part funded by Enterprise Ireland. The programme, resulting in the awarding of a UCC Diploma in Corporate Direction, is the first ICOS programme to receive National Accreditation.

Twenty-four participants from twelve co-operatives took part in the programme, which consisted of seven, two-day, modules, delivered in several locations nationwide, as well as one week-long, module in the USA, which coincided with the 2002 Dairy Forum in Phoenix, Arizona.

Participants, as part of the requirement of the course, completed a dissertation on a topic of relevance to the operations of their own co-operative. Projects covered such topics as Co-operative Representation Structures, A Strategic Review of the Dairy Sector, and Renewable-Sustainable Energy.



Participants and speakers at a workshop on the "Role of the Director" held in Phoenix Arizona in conjunction with the International Dairy Forum. Left to right: Liam Herlihy, Vice Chairman, Glanbia, Randy Johnston, Director and Ed Brooks, Chairman, Foremost Farms Co-operative (Speakers) and Chris Hill, Director, Glanbia.

General Co-operative Training.

The division contributes to the general co-operative training programmes of several institutions and during the year staff participated in, and contributed to, the development of programmes run by University College Dublin, Teagasc and the Waterford Institute of Technology.

MEMBER RELATIONS

Plunkett Award 2001

The 2001 winner of the Plunkett Award for Co-operative Endeavour was Mr Anthony Leddy, Chairman of Cavan-

Monaghan Rural Development Society Limited. Anthony Leddy has played a leading role in all aspects of farming and rural life at both national and local level for the past forty years. In particular, he has given sterling service to the Irish co-operative movement in rural Ireland. Anthony was instrumental in setting up Carrigallen Mart in County Leitrim in the early 1970's. He also served as a board member of Killeshandra Co-operative and of its successor co-operative, Lakeland. He was the key driving force in the establishment of Cavan Monaghan Rural Development Co-operative Society Limited in early 1990 and this has since brought considerable funding for innovation and enterprise into the Cavan - Monaghan area. Anthony was deemed by the judges to have, through a lifetime's effort, contributed hugely to the well being of his fellow farmers and the co-operative movement.

2001 NATIONAL CONFERENCE.

The 28th ICOS National Conference, which had as its theme, "Co-operatives-Facing the Competitive Challenge", was held on November 19th and 20th, 2001. The Conference was addressed by Mr. Willi Kampmann of the German Farmers Union, Mr. Sean O'Sullivan of Cork Marts, and Mr Kieran Calnan of South Western Services Co-op Ltd. Mr Dermot McCarthy Secretary General to the Government, addressed the conference dinner, which was attended by over 250 delegates. The second day of the conference was taken up by a series of workshops, which were facilitated by speakers on Milk Policy, the National Spatial Strategy, and Rural Development. At the conference, delegates were asked to express their preference for continuing to hold the National Conference in Dublin, or to move to a regional location. A ballot was held, and delegates voted to hold the 2002 National Conference in Limerick.



Mr Dessie Boylan, President of ICOS, presents the Plunkett Award for Co-operative Endeavour to Mr Anthony Leddy, Chairman of Cavan-Monaghan Rural Development Society Limited.

In the year under review, ICOS had the unique distinction of running two national conferences in the one year due to our 2000 conference having to be postponed by the very inclement weather conditions in early November 2000.

RURAL DEVELOPMENT ICOS RURAL DEVELOPMENT COMMITTEE.

At its January 2001 meeting, the ICOS Rural Development Committee, under the Chairmanship of Mr. Padraig Gibbons of Connacht Gold Co-op, decided to concentrate its main focus on a narrow range of activities.

Accordingly, co-operative house building and renewable energy were identified for further investigation. In regard to co-operative housing, the committee met with the National Association of Building Co-ops to investigate this mechanism for alleviating the crippling cost of home building in rural areas. The committee found that in many respects NABCO had in place suitable programmes and structures to cater for the needs of rural dwellers in the area of co-operative housing, but would perhaps benefit from the support of established co-operatives in rural areas to give greater impetus to such a development.

In order to further pursue the area of Renewable energy, the Committee travelled to meet with and view the operations of South Western Services co-op in Bandon. As result of this meeting, a number of Co-operatives came together to form the ICOS Border Region Energy Group. This group, comprising Connacht Gold Co-op, Donegal Creameries, Lakeland Dairies, Town of Monaghan Co-op, Cavan Monaghan Rural Development Co-operative, and the Western Forestry Co-operative, has set as its aim the establishment of a mechanism for the maximum exploitation of the renewable-sustainable energy generation potential of the Border Region. This mechanism must deliver the maximum return to the farmers and co-operatives involved, while involving to the greatest degree possible, local community structures. The initial focus of the group is Wind Energy, while it also intends to pursue initiatives involving Forestry Thinnings, as well as Biogas.

The Division continues its association with LEADER, County Enterprise Boards, Area Partnership Companies and the Area Development Management process. The division also represents ICOS on the NDP CSF Co-ordinating Committee, the National Leader + Monitoring Committee and the DAFRD Rural Development Programme Monitoring Committee.



Billy O'Halloran (Glanbia) with two regional development staff members of the Forestry Development Association Co-operative: G. Buckley (Midlands), A. Booth (South East).

EU ADVISORY COMMITTEE ON RURAL DEVELOPMENT.

The COPA COGECA ad-hoc Working Group, Agricultural Development and Agricultural Structures, met twice during the 2001. The meetings took place in advance of meetings of the European Commission Advisory Committee on Rural Development, or that Committee's Working Group.

Topics dealt with included Modulation, Cross Compliance, Good Agricultural Practice, and the application of the Leader+ Programme across the community. As always with COGECA meetings, the main aim was to develop policies on each of the above mentioned topics, which are acceptable to each of the member organisations.

IRISH MILK QUALITY CO-OPERATIVE SOCIETY

This Society, representing all the interested parties in the field in Milking Machine Technician Training, the co-operatives, machine manufacturers, technicians, and Teagasc, is administered by the Member Development Division. It is responsible for the Certification and Registration of Milking Machine Technicians and Installers. It runs an annual seminar to update technicians on continuous developments in the business and technology of Milking Machine Installation and Service.

IRISH TIMBER GROWERS ASSOCIATION.

This National Association, representing the interest of forest owners nationally, is managed by the Member Development Division. The Association, with in excess of 1200 members, and as well as providing a lobbying and representative service to timber growers, also supplies an annual yearbook, quarterly newsletters, a series of field days and a National Forestry Seminar each Autumn.

FORESTRY DEVELOPMENT ASSOCIATION

This co-operative, initially a joint venture between Glanbia and the Irish Timber Growers Association, now has in excess of 300 active members, who

benefit from the services of two qualified foresters and a development officer. The aim of the co-op is to provide technical expertise and a degree of co-ordination to small-scale farm forest owners in the South East and Midlands. As these plantations mature and approach first thinning stage, the co-op will provide the marketing and logistical expertise required to co-ordinate the harvesting and sale of the timber.



Board Members of the Forestry Development Association Co-operative Society.

Left to right: S O'Donohoe, B O'Halloran, J Carroll, P Crowley, D Whelaan, C Colthrust, M Veale, H Chavasse, P Carr.

WESTERN FORESTRY CO-OPERATIVE SOCIETY

To date, the Western Forestry Co-operative has been highly successful in progressing the concept of farmer forestry in Western Counties, from a state of open hostility by farmers and rural communities in the early 1980's, to a level where many farmers now embrace forestry as a worthwhile and viable farm enterprise. Twenty farmer-owned forestry co-operatives have been set up, providing advise/ information / representation facilities as well as the necessary management services. A co-operative network through the dairy co-operative structure has been established which has succeeded in encouraging traditional, aged and part-time farmers to become involved in planting. Accumulative membership of the 20 farmer forestry co-operatives above now stands at 2400 farmers who between them have planted 14,000 ha, of woodland.

The co-operative challenge has now progressed to a new level. While the above programme will continue, (in response to the co-operative's own objectives and in response to the National Development Plan 2000 - 2006) progress in this regard will continue more easily than before because of the structures already in place. The new challenges in the process which have now emerged are:

1. **Marketing:** the successful marketing of the timber produced by members.
2. **Forest Certification:** encouraging best practice in woodland management.

In regard to marketing, approx. 500 co-operative members who planted before 1992 will have first thinning for sale within the next five years. Much work had to be done on these sites to open inspection paths, to establish roads, loading bays and generally to package the timber on neighbouring farms into viable lots. While the value of first thinnings may not be great for the owners, its extraction is critical to allowing pruning and other silvicultural practices to proceed and enhance the value of the crop. Likewise, we believe a certification programme is important, initially for the same 500 farmers who planted before 1992. 60 % of this is in-group plantations which increase its value in term of scale, layout, and accessibility. Currently 95% of the timber offered for sale in the 32 counties bears an F.S.C. logo and all the main sawmills and board mills operate a chain of custody.

For the future, timber offered for sale without a certification logo will be at a severe disadvantage. Accordingly, it is important that the forestry co-operatives ensure that its members have an equal opportunity in the sale of their timber. As the cost of certification could be prohibitive for the small producer, the co-operatives are pursuing the more practical move of group certification

While success in these new areas of the co-operative programme presents a challenge, it does however mark an exciting chapter in the evolution of the forestry co-operative.

HUMAN RESOURCES

Human Resources management suffered a great deal with the out-break of Foot and Mouth Disease in Great Britain. The high risk of the transfer of the disease to this country resulted in severe restrictions on travel. The consequence of this was the cancellation of many meetings. This in turn caused much frustration with both management and staff and problems that would normally have been resolved with the minimum of fuss, tended to drag on and grow.

There was some difficulty experienced with claims during the year. This was despite the fact that the Programme for Prosperity and Fairness was re-negotiated towards the end of 2000. Under the re-negotiated terms of the Agreement, societies implemented basic pay increases of 7 ½ %. This

represented a very substantial increase having regard to the year that was in it. Inflation peaked at 5.6% in April with the average rate in the region of 4.9% for the year. On top of that, the restrictions necessitated by the threat of Foot and Mouth Disease severely affected trading in societies. Marts, in particular, were affected. A number of societies found themselves in negotiations on claims that, strictly speaking, were precluded by the terms of the Agreement. ICOS was involved in 32 meetings with managements around the country in dealing with these and other problems. There were 19 meetings with trade unions and 5 Conciliation Conferences under the auspices of the Labour Court. The Industrial Relations Advisory Committee, (IRAC), only met on 3 occasions due to the restrictions on travel.

SKILLNETS TRAINING

Training courses under the Skillnets programme were most severely affected by the FMD outbreak. Some intended programmes had to be postponed or abandoned. In all, a total of 3 courses had been held in the first 3 months of the Programme in 2000 and one society had been assisted in organising an internal training course. However, it was only possible to organise one course during 2001. The problem was that many societies were reluctant to travel or to have staff travel during the year. The Skillnets Programme has been extended for a further 3 months in 2002 and it is hoped that a number of further training programmes can be arranged during that period. However, it is most likely that the full programme will not be achieved.

FARM SAFETY

Again, agricultural and forestry tragedies figured throughout the year. Out of a total of 61 work-related deaths, 24 were on farms. A total of 7 children and 17 farmers died as a result. Farming continues to remain the most dangerous occupation in the Country. Societies are urged to maintain safety promotions throughout the year and to encourage members to think and talk safety. The Health and Safety Authority will be issuing guidelines on the drawing up of a Farm Safety Statement. Every farmer, including the self-employed, is required by law to have a written statement.

Societies should remind farmers of the importance of having a Safety Statement. Co-operative societies are in a strong position to do this through the newsletters sent to members throughout the year. ICOS will forward details of the guidelines to Society Newsletter Editors in early 2002.

CORK OFFICE

During the year under review the Regional staff in Cork concentrated their endeavours on servicing the needs of co-operatives in the Munster region. Staff attended Annual General Meetings on request and inputted into a number of Committee and Board meetings at the request of Societies. A number of partial and complete amendment of rules were also facilitated.

The Cork office continued to provide secretarial services to the National Pig Producers Society and to the Federation of Lobster Fishing Societies.

Work with a number of co-operatives in the trading area continued throughout the year.



Julie Sinnamon (Enterprise Ireland), Professor Sebastian Green (Joint Academic Director), Seamus O'Donohoe (Programme Manager) and Professor Charlie Daly (Joint Academic Director) at the launch of the Dairy Director Development Programme 2001.

IRISH FOUNDATION FOR CO-OPERATIVE DEVELOPMENT

INTRODUCTION

As a result of the continued support of Irish co-operatives, IFCD supported the successful development of an increased number of farmer owned co-operatives in Africa during the year. IFCD support included financial and developmental advice to the local co-operative and agricultural development organisations it has created in Tanzania and Uganda over the past number of years. These organisations have groups of farmers as their members either as co-operatives, producer marketing groups, savings and credit groups and women's' enterprise groups. The organisation in Tanzania is called the Community Grassroots Initiatives Association and in Uganda the organisation is called the Community Enterprises Development Organisation Ltd. They both are proving very effective in establishing and developing co-operatives, which are increasing the incomes and food security of their members who are small family farmers.

In addition, IFCD carried out a review of its future plans during the year. This review led to a decision that IFCD has significant core specialist skills in international co-operative development. These specialist skills are built on experience from the Irish co-operative movement, involving that of ICOS and its co-operative members. This combination of expertise has proven very effective in developing co-operatives and producer marketing groups in several African countries since 1978. It is recognised that the availability of this type of co-operative development experience is a key success factor in developing co-operatives in Africa as well as worldwide, including Central and Eastern Europe, Asia and South America.

The demand for IFCD advice and financial support is increasing based on its success to date in Tanzania and Uganda. Firstly, due to the size of these countries, there is a need to expand co-operative development into other regions in the two countries. Secondly, other African countries have pressing needs for similar co-operative development and the successful approach in Tanzania and Uganda could be replicated in a number of these countries. IFCD is examining similar developments in countries where other development agencies have started to improve



IFCD supported Co-operative Maize Assemble for marketing in Tanzania.

agricultural production and where there is a pressing need for co-operatives. For these reasons, IFCD intends to continue this specialist development work in the future, drawing on the experience of its Irish co-operative members, where possible. In view of the increasing demand for IFCD development work, IFCD requests co-operatives and their farmer members to continue their valuable contributions. The financial support provided by Irish co-operatives allows IFCD to access funds from other funding agencies such as Ireland Aid, APSO and the EU Commission.

The IFCD approach to co-operative development in Africa is based on the grassroots approach, whereby farmers themselves own and control co-operatives to provide services, which improve their incomes. This is the same approach, which has led to the successful and sustainable development of co-operatives in Ireland.

The IFCD Board and Co-operative Support

Since its foundation in 1978, IFCD has benefited from the in-depth knowledge and support of Irish co-operatives through its Board members and the annual financial subscription from its co-operatives especially dairy and multi-purpose co-operatives. Despite the usual pressures on the dairy sector, dairy co-operatives and their suppliers have continued to provide much needed funding to IFCD. IFCD and its beneficiary co-operatives in African countries have raised matching funds equivalent to about three times the subscription from

Irish co-operatives. Therefore, each Euro subscribed by Irish co-operatives and their farmer members achieves a benefit equal to four Euro in IFCD managed projects.

The Board of IFCD in 2001, included Mr. Billy Nagle (Chairman), Mr. Dessie Boylan, Mr. Donie Cashman, Mr. John Duggan, Mr. Michael O'Dwyer, Mr. Malachy Prunty (Secretary) and Mr. John Tyrrell. Mr. John Duggan retired from the IFCD board at the end of 2001 and has been replaced by Mr. Tom Corcoran. In addition, Mr. Malachy Prunty has retired as the Executive Director of IFCD and has been replaced by Mr. Martin Varley. Mr. Prunty continues as Secretary of IFCD to provide continuity in planning IFCD's future developments. The Board of IFCD would like to pay particular tribute to Malachy Prunty for his total commitment to co-operative development in Africa. In particular, they feel that the co-operative achievements in Tanzania and Uganda and other countries where IFCD has provided assistance is in large measures due to the effective work of Malachy Prunty as Executive Director from 1978 to 2002.

TANZANIA

The IFCD funded Community Grassroots Initiatives Association (COAS) in Irnga, Tanzania, has continued to expand the development of co-operatives, producer marketing groups, savings and credit groups and womens' enterprise groups. The co-operatives and groups established in previous years continued to expand the volume of coffee, maize, tea and flowers produced and marketed. In addition, the coffee groups have started to cure their coffee so that it satisfies the specifications for international markets, thereby increasing the price received by their producers compared with other market outlets. Also, improved advise on planting, husbandry and harvesting is leading to increased yields and increased areas dedicated to the production of these crops which are increasing farmers' incomes. A total of three new producer marketing co-operatives and three new savings and credit groups were established during 2001. Plans for the development of womens' projects were advanced for knitting, bread making and dairy cattle rearing.

During 2001, COAS also provided training to a large number of new and existing members of co-operatives and groups. Training and advice was provided on co-operative development, marketing and crop production techniques. It is estimated that 1929 farmers benefited from the training on co-operative and group development, while 974 farmers received crop husbandry training.



Mr Malachy Prunty, retiring Executive Director of IFCD, with members of Community Enterprises Development Organisation Ltd. (CEDO), in Uganda with a visiting group from Tanzania (COAS).

UGANDA

The Community Enterprise Development Organisation (CEDO) in Uganda which is funded by IFCD has had increased success in expanding co-operatives, producer marketing group (PMGs) and micro projects for women's groups. It has established a total of 11 co-operatives (PMGs) which have potentially commercial farmers as its members, a further 6 co-operative which have very small scale producers who are categorised by "vulnerable households" and 21 women's groups, which produce products that can be sold to increase household incomes.

The main farm products produced by the co-operative members include cassava, potatoes, groundnuts, coffee beans and maize. The women's groups mainly produce handicrafts, bakery, horticulture and other products for sale and they are involved in pig, goat and poultry production. The co-operatives and PMGs have led to increased farmer incomes through the introduction of improved varieties, multiplication of seeds, provision of equipment and inputs, production of plant cuttings and improved production, processing and marketing of the output of the farms. CEDO has provided training in co-operative and producer group development, crop production techniques and husbandry, marketing, and women's group development.

During 2001, a total of 3,321 farmer members of co-operatives and groups benefited from training on leadership, co-op development and marketing and a total of 193 women received training on womens' enterprise development issues.

FINANCIAL SERVICES DIVISION

INTRODUCTION

The year 2001 resulted in a surplus after taxation of £190,862, as compared to £32,292 in the prior year. In 2001 the overall income increased by 24.8%. Profits after taxation increased mainly due to non-recurring events. During the year ICOS entered into a joint venture arrangement with COPA/COGECA to provide consultancy service to the European commission in relation to the development of the agricultural co-operative movement in central Eastern European countries.

ICOS also received a dividend from the Irish Agri Food Development Ltd. ICOS are fifty percent shareholders in the Company. The income received is non-recurring.

The overall expenditure for the year has increased by 9.9% for the year 2001. The main movements in costs has been an increase in payroll costs due to the increase in staff numbers in order to carry out the joint venture. These staff members are employed on a one-year contract. Travel and services expenditure has decreased slightly due to the restrictions placed on travel during the Foot and Mouth disease outbreak.

STATISTICAL ANALYSIS

ICOS undertakes the statistical analysis of the Dairy, Mart and other sectors. The analysis is included in this report. During 2001 a detailed submission was prepared on behalf of the Livestock mart sector to the Department of Agriculture, Food and Rural Development outlining the losses incurred and the cost of the FMD crisis to the sector.

EURO CHANGEOVER

During the year ICOS held a number of seminars and disseminated information that would enable a smooth transition to the euro.

The implementation of the euro was a success. Ireland has been highly commended by the European Commission for its preparation and smooth changeover. The Co-operative sector was very well prepared for the changeover to the euro.

The sector's experience to date has been beneficial through reduced exchange risk through reduced exchange risk and lower interest rates.

PENSIONS

ICOS continues to administer the two industry wide pension schemes.

Dairy Executives Pension Scheme.
Irish Co-operatives Societies Pension Scheme.

The returns from both were better than the average despite the negative trading conditions that prevailed during the year. BIAM is the fund manager for both schemes.

GRANT AID

The Department of Agriculture, Food and Rural Development announced the introduction of the Capital Investment Scheme for marketing and processing of certain agricultural products. ICOS was involved in the preparation, assistance and submission of applications and continues to have a high success rate in terms of applications.

At the time of writing, affiliated Co-operatives have been successful in obtaining Euro 2,408,686 from the Scheme.

OTHER ISSUES

During the year the division also assisted in the preparation of training in financial matters for the various training programmes, which were organised by ICOS.

The division prepared a detailed Budget submission for the Budget 2002 in conjunction the co-operatives. The division continues to provide services to other sectors within ICOS and provide information as requested to co-operatives and other interested parties.

ICOS Services

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

These include the following

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

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ACCOUNTS, MINUTES & AFFILIATION FEES



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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Society will continue in business.

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

On behalf of the Board:

| | |
|-------------------|------------------|
| President: | Dessie Boylan |
| Director General: | John Tyrrell |
| Secretary: | Seamus O'Donohoe |

13 March 2000

2

Report of the Independent Auditors

To the members of Irish Co-Operative Organisation Society Limited

We have audited the financial statements on pages 4 to 12.

Respective responsibilities of the Board and auditor

The Board's responsibilities for preparing the financial statements in accordance with applicable Irish law and accounting standards generally accepted in Ireland are set out on page 2 in the Statement of the Society's and the Board's Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and auditing standards issued by the Auditing Practices Board applicable in Ireland.

We report to you our opinion as to whether the financial statements give a true and fair view in accordance with Irish statute comprising the Industrial and Provident Societies Acts, 1893 to 1978. We state whether we carried out such procedures and have obtained such information as we consider necessary for the purposes of our audit. We also report to you whether we found the Society's books, deeds, documents, accounts and vouchers relating thereto, to be correct, duly vouched and in accordance with the Industrial and Provident Societies Acts, 1893 to 1978.

Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An

audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Board in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Society's circumstances, consistently applied and adequately disclosed.

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

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the Society at 31 December 2001 and of its surplus for the year then ended. We have carried out such procedures and obtained such information as we considered necessary.

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

PricewaterhouseCoopers

Chartered Accountants and Registered Auditors, Dublin
13 March 2002

Accounting Policies

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

Basis of preparation

The financial statements have been prepared in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Industrial and Provident Societies Acts, 1893 to 1978. Accounting standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in Ireland and issued by the Accounting Standards Board.

Societies' contributions

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

Other income

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

Contract work-in-progress

Work-in-progress is stated at cost plus attributable profits less foreseeable losses and is shown in the balance sheet less progress payments received and receivable. Cost comprises labour and appropriate overheads. Profits on contract work-in-progress are taken to credit over the duration of the contracts to reflect the profit attributable to that part completed on the accounting date. Provision is made for all known or anticipated losses.

Fixed assets

Fixed assets are stated at cost less accumulated depreciation.

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

Leased assets

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

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

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

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

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

Pensions

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

Deferred taxation

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

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

Foreign currencies

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

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

Income and Expenditure Account

| Year Ended 31 December 2001 | 2001 IR£ | 2000 IR£ |
|---|------------------|------------------|
| Income | | |
| Societies' contributions received | 1,200,240 | 986,010 |
| Seminars, training and education | - | 52,012 |
| Other income (including registration services) | 28,428 | 38,947 |
| Dividend income | 47,069 | - |
| Income from PHARE Project | 157,439 | - |
| | <u>-</u> | <u>-</u> |
| | <u>1,433,176</u> | <u>1,076,969</u> |
| Expenditure | | |
| Payroll Salaries and state insurance, less recoveries | 595,857 | 498,535 |
| Pension scheme premiums and superannuation | <u>173,750</u> | <u>79,019</u> |
| | <u>769,607</u> | <u>577,554</u> |
| Travel and services | | |
| Travelling expenses | 128,348 | 137,829 |
| Public relations, education and training | 36,771 | 59,300 |
| Postage and telephone | 39,884 | 44,455 |
| Printing and stationery | <u>27,061</u> | <u>33,913</u> |
| | <u>232,064</u> | <u>275,497</u> |
| Overheads | | |
| Rent, rates, light, insurance and household expenses | 89,986 | 93,166 |
| Subscriptions | 47,078 | 40,018 |
| Depreciation of fixed assets | 24,606 | 25,557 |
| Maintenance and repairs | 15,881 | 15,626 |
| Professional fees | 23,075 | 9,432 |
| Interest and bank charges | 328 | 452 |
| Miscellaneous expenses | 3,611 | 5,228 |
| Finance lease interest | <u>3,733</u> | <u>-</u> |
| | <u>208,298</u> | <u>189,479</u> |
| | <u>1,209,969</u> | <u>1,042,530</u> |
| Surplus for year before state grant and taxation | <u>223,207</u> | <u>34,439</u> |

On behalf of the Board:

President: Dessie Boylan

Director General: John Tyrrell

Secretary: Seamus O'Donohoe

General Revenue Account

Year Ended 31 December 2001

| | Note | 2001 IRE | 2000 IRE |
|--|------|------------------|------------------|
| Surplus for year before state grant and taxation | | 223,207 | 34,439 |
| State grant | | <u>11,000</u> | <u>11,000</u> |
| Surplus for year before taxation | | 234,207 | 45,439 |
| Taxation | 1 | <u>(43,345)</u> | <u>(13,147)</u> |
| Surplus for year after taxation | | 190,862 | 32,292 |
| Capital contribution | 2 | 40,000 | - |
| Accumulated deficit at beginning of year | | <u>(177,461)</u> | <u>(209,753)</u> |
| Accumulated surplus/(deficit) at end of year | | <u>53,401</u> | <u>(177,461)</u> |

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

On behalf of the Board:

President: Dessie Boylan; Director General: John Tyrrell; Secretary: Seamus O'Donohoe

Balance Sheet

| | Notes | 2001 IRE | 2000 IRE |
|--|-------|----------------|------------------|
| Current assets | | | |
| Bank balances and cash | 3 | 245,624 | 24,882 |
| Debtors and prepayments | 4 | 135,555 | 170,094 |
| Contract work-in-progress | 5 | <u>157,439</u> | <u>-</u> |
| | | 538,618 | 194,976 |
| Fixed assets | | | |
| Fixed assets | 6 | 77,378 | 63,341 |
| Deferred tax | 7 | <u>11,000</u> | <u>-</u> |
| | | <u>626,996</u> | <u>258,317</u> |
| Representing capital employed: | | | |
| Share capital | 8 | 70 | 70 |
| General revenue account balance/(deficit) | | <u>53,401</u> | <u>(177,461)</u> |
| Shareholders' funds/(deficit) | | | |
| | 9 | <u>53,471</u> | <u>(177,391)</u> |
| Creditors due within one year | | | |
| Creditors and accruals | 10 | <u>389,965</u> | <u>206,029</u> |
| Creditors due after more than one year | | | |
| | 11 | <u>18,560</u> | <u>11,679</u> |
| Loan from the Golden Jubilee Trust Fund | | | |
| | 12 | 165,000 | 215,000 |
| Deferred taxation | 7 | <u>-</u> | <u>3,000</u> |
| | | <u>626,996</u> | <u>258,317</u> |

On behalf of the Board:

President: Dessie Boylan, Director General: John Tyrrell, Secretary: Seamus O'Donohoe

Notes to the Financial Statements

| | | | | |
|----------|---|--|-------------------------------|---------------------------|
| 1 | Taxation | | 2001 IR£ | 2000 IR£ |
| | Based on the surplus for the year: | | | |
| | Corporation tax charge at 20% (2000: 24%) | | 58,100 | 13,250 |
| | Overprovision in earlier years | | <u>(755)</u> | <u>(103)</u> |
| | | | 57,345 | 13,147 |
| | Deferred tax credit at 16% | | <u>(14,000)</u> | - |
| | | | <u>43,345</u> | <u>13,147</u> |
| 2 | Capital contribution | | | |
| | As part of the winding down of Irish Agri-Food Development Co-Operative Society Limited ("IAFD") in 2001, IAFD distributed a surplus of IR£40,000 to the Society. | | | |
| 3 | Bank guarantee | | | |
| | The Society has deposited IR£70,000 with AIB Bank as security for guarantee (see note 13) and has assigned to AIB Bank all its present and future rights, title, benefit and interest in this deposit. AIB Bank has a first fixed charge over this account. | | | |
| 4 | Debtors and prepayments | | 2001 IR£ | 2000 IR£ |
| | Debtors and prepayments | | 135,555 | 49,250 |
| | Amount owed by related parties | | - | <u>120,844</u> |
| | | | <u>135,555</u> | <u>170,094</u> |
| 5 | Contract work-in-progress | | 2001 IR£ | 2000 IR£ |
| | Cost plus attributable profits less provision for foreseeable losses | | <u>157,439</u> | - |
| 6 | Fixed assets | Furniture, fittings and equipment | Computer equipment | Motor vehicles |
| | | IR£ | IR£ | IR£ |
| | Cost | | | IR£ |
| | At 31 December 2000 | 166,215 | 117,416 | 78,720 |
| | Additions | 2,395 | 9,432 | 26,816 |
| | Disposals | - | - | <u>(62,370)</u> |
| | At 31 December 2001 | <u>168,610</u> | <u>126,847</u> | <u>43,166</u> |
| | Accumulated depreciation | | | |
| | At 31 December 2000 | 148,057 | 87,787 | 63,171 |
| | Charge for year | 4,499 | 13,084 | 7,022 |
| | Depreciation on disposal | - | - | <u>(62,369)</u> |
| | At 31 December 2001 | <u>152,550</u> | <u>100,871</u> | <u>6,724</u> |
| | Net book amounts | | | |
| | At 31 December 2001 | <u>16,060</u> | <u>25,976</u> | <u>35,342</u> |
| | At 31 December 2000 | <u>18,163</u> | <u>29,629</u> | <u>63,340</u> |

Notes to the Financial Statements - continued

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

| | 2001 | 2000 |
|--------------------------------|--------------|--------------|
| | IR£ | IR£ |
| Net book amount at 31 December | 35,342 | 14,988 |
| Depreciation | <u>7,824</u> | <u>1,362</u> |

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 |

| | | | |
|-----------|--|----------------|------------------|
| 7 | Deferred tax asset/(liability) | 2001 | 2000 |
| | | IR£ | IR£ |
| | On accelerated capital allowances and pension accrual at 16% (2000: 24%) | <u>11,000</u> | <u>(3,000)</u> |
| 8 | Share capital | 2001 | 2000 |
| | | IR£ | IR£ |
| | At 31 December 2001 and 2000 - 141 shares of 50p each | <u>70</u> | <u>70</u> |
| 9 | Reconciliation of movements on shareholders' funds/(deficit) | 2001 | 2000 |
| | | IR£ | IR£ |
| | Surplus for year after taxation | 190,862 | 32,292 |
| | Capital contribution | 40,000 | - |
| | Opening shareholders' deficit | (177,391) | (209,683) |
| | Closing shareholders' funds/(deficit) | <u>53,471</u> | <u>(177,391)</u> |
| 10 | Creditors due within one year | 2001 | 2000 |
| | | IR£ | IR£ |
| | Creditors and accruals | 211,268 | 108,155 |
| | Amount due to related parties | 107,896 | 80,620 |
| | Corporation tax payable | 58,100 | 13,250 |
| | Finance leases (note 11) | <u>12,701</u> | <u>4,004</u> |
| | | <u>389,965</u> | <u>206,029</u> |
| 11 | Finance leases | 2001 | 2000 |
| | | IR£ | IR£ |
| | Finance leases | <u>18,560</u> | <u>11,679</u> |

Finance leases - maturity and security

Future minimum payments under finance leases are as follows:

| | | |
|---|---------------|---------------|
| Within one year | 17,094 | 5,010 |
| In more than one year, but not more than five years | <u>24,699</u> | <u>14,677</u> |
| Total gross payments | 41,793 | 19,687 |
| Less finance charges include above | (10,532) | (4,004) |
| | <u>31,261</u> | <u>15,683</u> |

Notes to the Financial Statements - continued

12 Loan from the Golden Jubilee Trust Fund

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

13 Commitments and contingencies

(a) Grant aid and bank guarantee

Under the terms of a grant agreement under which the Society and other parties have entered a joint venture arrangement to provide consultancy services to the European Commission, the European Commission has advanced €1,600,000 to the joint venture. These monies could become repayable in the event that the European Commission determines that the monies have not been applied for their agreed purpose.

AIB Bank has issued a guarantee of €1,600,000 to COPA/COGECA, one of the joint venture partners, in respect of the monies advanced by the European Commission under this agreement. The Society has deposited IRE70,000 with AIB Bank as security for this guarantee and has assigned to AIB Bank all its present and future rights, title, benefit and interest in this deposit. AIB Bank has a first fixed charge over this account.

(b) Operating lease commitments

The Society has minimum annual operating lease commitments of IRE36,000 in 2002 in respect of a property lease for which no fixed termination period has been specified.

14 Pensions

The Society operates a defined benefit pension scheme with assets held in a separately administered fund. Contributions to the scheme are charged to the profit and loss account so as to spread the cost of pensions over employees' working lives with the Society. The contributions are determined by a qualified actuary on the basis of triennial valuations using the projected unit method. The most recent valuation was at 31 December 2000 and is available for inspection by the scheme members but not for public inspection.

The assumptions which have the most significant effect on the results of the valuation are those relating to the rate of return on investments and the rate of increase in pensionable salaries. It was assumed that the investment returns would be 7% per annum and that pensionable salary increases would average 6% per annum over the long term.

The most recent valuation showed that the market value of the assets of the scheme was IRE1,747,300 which represented 88% of the benefits that had accrued to members after allowing for expected future increases in earnings.

The pension scheme charge for the year was IRE173,750 (2000: IRE79,019) of which IRE52,502 (2000: IRE2,852) was payable at the year end.

Financial Reporting Standard 17 "Retirement Benefits" disclosures

A full actuarial valuation was carried out at 31 December 2000 and updated to 31 December 2001 for Financial Reporting Standard 17 disclosure purposes by a qualified independent actuary. The main financial assumptions used in the valuation were:

| | |
|---|-------|
| Rate of increase in salaries | 4.25% |
| Rate of increase in pensions in payment | 3.00% |
| Rate of increase to deferred pensions | 2.25% |
| Discount rate | 6.00% |
| Inflation assumption | 2.25% |

Notes to the Financial Statements - continued

14 Pensions - continued

The assets in the scheme and the expected rate of return were:

| | Long-term rate of return expected at 31 December 2001 | Market value at 31 December 2001 IR£ |
|----------|---|---|
| Equities | 7.50% | 1,771,000 |
| Bonds | 5.50% | 538,000 |
| Property | <u>6.50%</u> | <u>168,000</u> |
| | | <u>2,477,000</u> |

The following amounts at 31 December 2001 were measured in accordance with the requirements of Financial Reporting Standard 17:

| | IR£ |
|-------------------------------------|------------------|
| Total market value of assets | 2,477,000 |
| Present value of scheme liabilities | (2,880,000) |
| Deficit in the scheme | (403,000) |
| Related deferred tax asset | <u>50,000</u> |
| Net pension liability | <u>(353,000)</u> |

If the above amounts had been recognised in the financial statements, the Society's net assets and general revenue account balance at 31 December 2001 would be as follows:

| | IR£ |
|---|------------------|
| Net assets excluding pension liability | 53,471 |
| Pension liability | (353,000) |
| Net liabilities including pension liability | (299,529) |
| General revenue account balance excluding pension liability | <u>53,401</u> |
| Pension liability | (353,000) |
| General revenue account deficit including pension liability | <u>(299,599)</u> |

15 Related parties

The Society, ICOS Services Co-Operative Society Limited, Golden Jubilee Trust Fund, Irish Foundation for Co-Operative Development Limited and Irish Agri Food Development Limited are related parties under Financial Reporting Standard No. 8 - "Related party disclosures". Costs of IR£193,459 (2000: IR£193,250) were funded by the Society on behalf of these entities. This funding is repayable to the Society. Rent of IR£36,000 (2000: IR£36,000) was charged by a related party to the Society.

16 Approval of financial statements

The Board approved the financial statements on 13 March 2002.

Schedule of Affiliation Fees

AFFILIATION FEES ASSESSED AND PAID 2001

| | 2001 Assessed | Total Paid | Total Paid as a % |
|--------------------|---------------------|---------------------|-------------------|
| DAIRY | £782,146 | £781,176 | 100 |
| MART | £143,235 | £132,334 | 92 |
| A. I. STATIONS | £21,949 | £15,099 | 69 |
| WHOLESALE | £59,053 | £59,053 | 100 |
| FISHING | £9,219 | £9,218 | 100 |
| STORES | £3,390 | £3,390 | 100 |
| RURAL DEV.\TOURISM | £7,350 | £6,300 | 86 |
| OTHER | £16,181 | £14,442 | 90 |
| TOTAL | IRE1,042,523 | IRE1,027,916 | 98 |

10

| DAIRY | | | | MART | | | |
|-------------------|-----------------|-----------------|-----------------|-------------------|----------------|-----------------|-----------------|
| | 2001 Assessed | Total Paid | Total Paid as % | | 2001 Assessed | Total Paid | Total Paid as % |
| GLANBIA | £110,000 | £110,000 | 100 | ATHENRY | £5,493 | £5,493 | 100 |
| BANDON | £21,071 | £21,071 | 100 | BALLINASLOE | £5,190 | £5,190 | 100 |
| BARRYROE | £22,602 | £22,562 | 100 | BALLYJAMESDUFF | £2,765 | £2,765 | 100 |
| BOHERBUE | £6,636 | £6,636 | 100 | BIRR | £3,362 | £3,362 | 100 |
| CALLAN | £5,795 | £5,796 | 100 | CASTLEREA | £4,384 | £4,384 | 100 |
| CENTENARY | £19,678 | £19,678 | 100 | CLARE | £11,878 | £11,878 | 100 |
| CORCAGHAN | £1,882 | £940 | 50 | CORK MARTS | £18,245 | £18,245 | 101 |
| DAIRYGOLD | £91,045 | £91,045 | 100 | C-ISLAND | £8,488 | £8,488 | 100 |
| DOAPEY | £2,563 | £2,563 | 100 | DINGLE | £1,375 | £1,375 | 100 |
| DRINAGH | £25,984 | £25,984 | 100 | EAST DONEGAL | £2,307 | £2,307 | 100 |
| DROMBANE | £3,685 | £3,694 | 100 | GOLDEN VALE MARTS | £18,382 | £18,382 | 100 |
| FEALEBRIDGE | £5,578 | £5,578 | 100 | GORT | £1,975 | £1,975 | 100 |
| GLENVEAGH | £12,444 | £12,444 | 100 | HEADFORD | £1,454 | £473 | 33 |
| GOLDEN VALE | £68,463 | £68,464 | 100 | IVERAGH | £1,217 | £1,217 | 100 |
| IRISH DAIRY BOARD | £53,585 | £53,585 | 100 | KANTURK | £1,300 | £1,300 | 100 |
| KERRY | £52,000 | £52,000 | 100 | KENMARE | £1,512 | £0 | 0 |
| KILASNETT | £815 | £815 | 100 | KILFENORA - | £1,500 | £1,500 | 100 |
| LAKELAND | £42,479 | £42,479 | 100 | KILKENNY | £8,171 | £8,171 | 100 |
| LEE STRAND | £10,811 | £10,811 | 100 | KINGDOM | £1,896 | £0 | 0 |
| LISAVAIRD | £21,023 | £21,023 | 100 | LEINSTER | £4,053 | £0 | 0 |
| MAUDABAWN | £1,500 | £1,500 | 100 | MAYO/SLIGO | £5,435 | £5,435 | 100 |
| MULLINAHONE | £10,863 | £10,863 | 100 | MID-KERRY | £2,449 | £2,449 | 100 |
| NEWTOWNSANDES | £6,529 | £6,530 | 100 | MID-TIPPERARY | £4,874 | £2437 | 50 |
| CONNACHT GOLD | £46,359 | £46,359 | 100 | MILFORD | £1,612 | £1,612 | 100 |
| ARRABAWN | £33,821 | £33,822 | 100 | NENAGH | £4,384 | £4,384 | 100 |
| NEWMARKET | £14,955 | £14,955 | 100 | ROSCOMMON | £4,082 | £4,082 | 100 |
| NORTH CORK | £13,684 | £13,684 | 100 | TEMPLEMORE | £1,722 | £1,700 | 100 |
| T OF MONAGHAN | £27,997 | £27,998 | 100 | TUAM | £4,442 | £4,442 | 100 |
| THURLES | £10,578 | £10,578 | 100 | WATERFORD/ROSS | £1,722 | £1,722 | 100 |
| TIPPERARY | £30,042 | £30,042 | 100 | WEXFORD FARMERS | £7,566 | £7,566 | 100 |
| WEXFORD | £5606 | £5606 | 100 | | | | |
| TOTAL | £782,146 | £781,176 | 100 | TOTAL | £143235 | £132,334 | 92 |

| A.I. SOCIETIES | | | |
|-----------------------|--------------------------|-----------------------|--------------------------------|
| | 2001 Assessed | Total Paid | Total Paid as % |
| MUNSTER C.B.S. | £599 | £599 | 100 |
| SOUTH WESTERN | £8,000 | £8,000 | 100 |
| SOUTH EASTERN | £9,155 | £6,500 | 71 |
| NORTH WESTERN | £4,196 | £0 | 0 |
| TOTAL | £21,949 | £15,099 | 69 |

| WHOLESALE | | | |
|----------------------|--------------------------|-----------------------|--------------------------------|
| | 2001 Assessed | Total Paid | Total Paid as % |
| COOP ANIMAL HEALTH | £12,230 | £12,230 | 100 |
| IRISH CO-OP SOCIETY. | £11,823 | £11,824 | 100 |
| I.A.W.S. | £35,000 | £35,000 | 100 |
| TOTAL | £59,053 | £59,054 | 100 |

| FISHING | | | |
|------------------|--------------------------|-----------------------|--------------------------------|
| | 2001 Assessed | Total Paid | Total Paid as % |
| BURTONPORT | £892 | £892 | 100 |
| CASTLETOWNBERE | £892 | £892 | 100 |
| DONEGAL | £892 | £892 | 100 |
| DUNMORE EAST | £686 | £686 | 100 |
| FOYLE FISHERMANS | £686 | £686 | 100 |
| GALWAY & ARAN | £892 | £892 | 100 |
| GREENCASTLE | £686 | £686 | 100 |
| KILLYBEGS | £750 | £750 | 100 |
| FISHERMENS ORG | | | |
| IFPO | £750 | £750 | 100 |
| MEITH. MARA | £686 | £686 | 100 |
| NA RINNE | | | |
| CLOGHERHEAD | £350 | £350 | 100 |
| SOUTH EASTERN | £686 | £686 | 100 |
| COAST FISHERMANS | | | |
| SOUTH WEXFORD | £370 | £370 | 100 |
| LOBSTER | | | |
| TOTAL | £9,219 | £9,218 | 100 |

| RURAL DEVELOPMENT/TOURISM | | | |
|----------------------------------|--------------------------|-----------------------|--------------------------------|
| | 2001 Assessed | Total Paid | Total Paid as % |
| BOIRNE | | | |
| BURREN | £350 | £0 | 0 |
| C. CONNRADH NA | £350 | £350 | 100 |
| C.C.C. NA OILEAIN | £350 | £350 | 100 |
| C.C.CHLEIRE | £350 | £350 | 100 |
| CC.L.THROUGH | £350 | £0 | 0 |
| C LEADER NA EIREANN | £350 | £350 | 100 |
| "CARAVAN, CAMPING... " | £350 | £350 | 100 |
| CAV/MON.RURAL DEV. | £350 | £350 | 100 |
| DUNGARVAN & TOURISM DEV | £350 | £350 | 100 |
| DRUMLOMMAN CO-OP | £350 | £350 | 100 |
| FRS PEOPLE PLACEMENT | £350 | £350 | 100 |
| KENAGH COMMUNITY CO-OP | £350 | £0 | 0 |
| KILRUSH DEVELOPMENT | £350 | £350 | 100 |
| KILNALECK & DISTRIBUTION | £350 | £350 | 100 |
| KILBARRON GROUP | | | |
| WATER SCHEME | £350 | £350 | 100 |
| LOGBOY AGRICULTURAL SOCIETY | £350 | £350 | 100 |
| MIZEN TOURISM | £350 | £350 | 100 |
| "NAIRN, PORTNOO, ROSBEG" | £350 | £350 | 100 |
| SLIEVE BLOOM | £350 | £350 | 100 |
| WICKLOW IT CO-OP | £350 | £0 | 0 |
| WEST CLARE | £350 | £350 | 100 |
| TOTAL | £7,350 | £6,300 | 86 |

| STORES | | | |
|---------------|--------------------------|-----------------------|--------------------------------|
| | 2001 Assessed | Total Paid | Total Paid as % |
| CLONLEIGH | £586 | £586 | 100 |
| INISHOWEN | £2,804 | £2,804 | 100 |
| TOTAL | £3,390 | £3,390 | 100 |

OTHER SOCIETIES

| | 2001 Assessed | Total Paid | Total Paid as a % |
|--------------------------------|----------------|----------------|-------------------|
| ARDENAGH | £350 | £0 | 0 |
| BALLYMACHUGH | £350 | £350 | 100 |
| COOP TRAVEL | £4,000 | £4,000 | 100 |
| COUNTRY MARKETS | £350 | £350 | 100 |
| CO. CLARE AGRIC. SCH | £350 | £350 | 100 |
| CLONMEL SHOW | £350 | £0 | 0 |
| KILKENNY COMM RAD | £588 | £588 | 100 |
| IMQCS | £3,000 | £3,000 | 100 |
| IR. DAIRY RECORDS | £644 | £0 | 0 |
| IR.FARM A/CS | £1,199 | £1,199 | 100 |
| IR. FARM CENTRE | £565 | £565 | 100 |
| IRISH HORSE BOARD | £1,255 | £1,255 | 100 |
| IVERAGH TURF | £350 | £300 | 86 |
| KNOCKMORE | £350 | £0 | 0 |
| KILBANNON | £350 | £350 | 100 |
| MILTOWN NORTH EAST GP WATER | £350 | £350 | 100 |
| NATIONAL CO-OP FARM RELIEF | £1,111 | £1,111 | 100 |
| SHANNON REGION | £350 | £354 | 101 |
| TASTE OF KERRY | £350 | £350 | 100 |
| Sub-total | £16,181 | £14,442 | 90% |
| PEDIGREE | | | |
| IR ANGUS CATTLE SOC | £350 | £350 | 100 |
| IR LIMOISINE CATTLE SOC | £350 | £350 | 100 |
| IR SIMMENTAL | £350 | £350 | 100 |
| CATTLE BREEDERS | | | |
| IR CHAROLLAIS CATTLE | £350 | £350 | 100 |
| IR CHAROLLAIS SHEEP | £350 | £350 | 100 |
| IR. PEDIGREE PIG BREEDERS | £350 | £350 | 100 |
| MONTBELIARDE CATTLE SOC. | £350 | £350 | 100 |
| Sub-total | £2,450 | £2,450 | 100 |
| HORTICULTURE | | | |
| NORTH EASTERN PRODUCERS | £350 | £350 | 100 |
| COMMERCIAL MUSHROOMS PRODUCERS | £350 | £350 | 100 |
| Sub-total | £700 | £700 | 100 |
| PIG SOCIETIES | | | |
| GLEN OF AHERLOW | £1,350 | £1,350 | 100 |
| ROUGHTY VALLEY | £405 | £405 | 100 |
| N. C. P. P. | £2000 | £2000 | 100 |
| SUB-TOTAL | 3,755 | 3,755 | 100 |
| TOTAL | 23,436 | 21,697 | 93% |

Minutes of the 2001 Annual General Meeting

The 106th Annual General Meeting of the Irish Co-operative Organisation Society Ltd was held at the Green Isle Hotel, Dublin on Wednesday 20th June 2001 at 10:30 a.m.

ATTENDANCE

A full list of delegates, staff and visitors present at the meeting can be found at the end of these minutes. Mr Tom McCarthy, Auditor, Craig Gardner & Company, along with the Director General and Secretary of ICOS were in attendance. Mr Dessie Boylan presided.

COMMENCEMENT OF THE MEETING

The President called the meeting to order and welcomed all the delegates as well as the following invited guests; Messrs Martin Sisk and Paul Harrington from the Registry of Friendly Societies, Ms Sheila Blair and Mr Seamus Crossey from the UAOS.

NOTICE OF MEETING

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

STANDING ORDERS COMMITTEE

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

MINUTES OF AGM

The minutes of the AGM, having been circulated with the Annual Report, were taken as read and it was resolved on the proposition of Mr Tom Cleary, seconded by Mr Brendan Danaher, that the minutes be approved and they were accordingly signed by the President.

ELECTIONS TO THE COUNCIL

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

| | |
|-----------------|-----------------------|
| Mr Hugo Maguire | Creameries North East |
| Mr Lar Carroll | Mart Societies |
| Mr Sean Murray | Creameries South |
| Ms Mary Coleman | Miscellaneous |

ANNUAL ACCOUNTS AND AUDITOR'S REPORT

The Annual Accounts for the year ended 31st December 2000 were presented by the Auditor Mr Tom McCarthy, who also presented his report and read his certificate. It was proposed by Mr John Duggan, seconded by Mr John Joe O'Brien and resolved that the Accounts for

2000 as presented be adopted. The Secretary apologised for the inadvertent omission of North Cork Co-operative Creameries from the table listing Societies who had paid their affiliation fees in 2000.

APPOINTMENT OF AUDITOR

On the proposition of Mr Donie Cashman, seconded by Mr Billy Nagle, it was resolved that PricewaterhouseCoopers be appointed Auditor for the year 2001.

FINANCIAL RESOLUTION

On the proposition of Mr Tom O'Brien, seconded by Mr Tom Gallahue, it was resolved "that the scale of contributions to ICOS by Societies involved in Dairy and Wholesale activities be on the following basis for the year 2002, calculated on the 2000 trading turnover:

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

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

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

ADOPTION OF THE ANNUAL REPORT

In proposing the adoption of the Annual Report, the President stated that when he addressed last years AGM, he referred to the challenges which the dairy, beef and grain sectors face in the context of the Agenda 2000 Agreement of March 1999. However, now additional issues such as food safety and animal health issues have been thrust to the fore and are likely to have a significant bearing on the future shape of the C.A.P he said.

He pointed out that in 2001 farmers and co-operatives had come through a very difficult and challenging period of 4 months to the day, since the first foot and mouth case was reported in the U.K. Since then there have been over 1,760 cases in the UK, 4 in Northern Ireland, 25 in the Netherlands, 2 in France and 1 in

Ireland. Since the single case in Ireland, the Department will be seeking to have our 'white country' status restored immediately by the International Epizootic Diseases Office.

He expressed on behalf of the co-operatives and their farmer members in Ireland our enormous gratitude, for the great expression of solidarity from the non-farming sector. In the early days of the foot and mouth crisis, ICOS staff provided an information help line for the public giving information on disinfectants, and disinfectant matting. We had queries from schools, hotels, pubs, restaurants, churches, sports organisations, travel agents, shops and many more he said. It is seldom that an issue can capture so much of the attention and support of the public. Thankfully, he said, the sacrifice which was made, and particularly by so many who have little direct contact with the farming sector, was a major factor in ensuring that we kept the incidence of foot and mouth disease to the single case. He also acknowledged the vital role and total commitment of the Minister, Joe Walsh, The Government and the staff in many Government Departments, during the crisis.

Throughout the F.M.D. crisis, ICOS worked actively with co-ops on dairy issues, livestock mart matters and in lobbying for the resumption of A.I. We represented the views of co-ops on these issues to the Minister and Department officials and we kept the co-ops informed on developments, he said. Among the dairy issues, which ICOS dealt with, were certification of product for export and contingency planning with co-ops. The President expressed his pleasure that marts were being allowed reopen for cattle sales.

The President pointed out that the 30 day retention period which has been imposed by the Minister would create difficulties, particularly for certain types of stock, such as calves and other young cattle. Marts and farmers are very unhappy with the 30-day retention period and ICOS have urged the Minister to remove this provision. ICOS believes that the present restriction can be lifted without compromising animal health safeguards and in a manner which would record all sales of stock.

The President reminded the Annual General Meeting that ICOS had produced a Strategic Review of the Irish Dairy Sector in April 2000. ICOS staff met with co-ops around the country to present the Review, and discuss the recommendations. The President welcomed the strong interest, that was shown in the Strategy.

Following publication of the ICOS Dairy Strategy, shareholders of North Connacht Farmers and Kiltoghert approved amalgamation proposals to form

Connacht Gold Co-op. Also, the shareholders of Nenagh Co-op and Midwest Farmers voted in favour of amalgamating to form Arrabawn Co-op. These, he said, are both welcome developments. The farmer shareholders in these two new co-ops believe that the co-operative has served them well and they have taken steps to strengthen it, to safeguard their interests for the future. The President congratulated both new co-ops and wished them every success for the future.

The President also said that the recent developments between Kerry and Golden Vale would be beneficial to the members of both co-operatives and could lead to considerable further consolidation of milk processing and milk assembly. The farmer shareholders in both these businesses have a significant influence in choosing the best way forward, he said. They have to prepare for the future and should become fully informed on all the issues when it comes to making their decision.

All of the issues, that the ICOS Dairy Strategy highlighted such as: investment needs; price/cost squeeze; competitor strategies; retail sector changes; agriculture policy; and product development. The latter two are very relevant. Food safety and animal welfare issues, which were already relevant, have a higher political priority now, he said. Further consolidation of the sector will be necessary for our dairy sector to enable it to compete in the future.

The President drew the delegates attention to a new initiative which ICOS has developed and launched recently, an Advanced Programme for Director Development which will lead to a Diploma in Corporate Direction. It was developed by ICOS in conjunction with UCC, and with support from Enterprise Ireland. The programme was a comprehensive one, which recognises that co-op directors are governing very significant businesses. There are 24 participants in the first programme and they have completed 3 modules of the programme so far, he said. The feedback has been very positive and ICOS would like to offer this programme on an ongoing basis. He said ICOS has also for the first time become involved in sponsoring a Nuffield Scholarship. Mr Pat Quirke, who is on the Advisory Committee in Tipperary Co-op, has been selected as one of the 2001 Nuffield Scholars and will study a co-operative topic.

The President continued his address by referring to the comprehensive range of services provided by our co-operatives to their farmer members and users. It is, he said, extremely important that farmers continue to utilise their co-operatives to the full, because it is their own business and they will get the benefit of scale.

The President reported that the Irish Foundation for Co-operative Development has continued to do very good work in Tanzania and Uganda.

There have been, he said, many successes and some failures but the seed sown over the years has borne great fruit. In Tanzania, a total of twelve Producer Marketing Groups are already giving much better returns to the farmers for their coffee, beans and maize and five more are being set up this year. These are very real co-ops owned and controlled by the farmers themselves, and there are now the beginnings of a local equivalent of ICOS to carry on the work of IFCD.

In Uganda, in a period of five years, 32 groups of farmers as well as over 80 groups of poor local families, mainly women, have been helped to grow more and better beans, maize and cassava. This has allowed them to ensure their own food supply and to sell the surplus at good market prices. IFCD, he said will continue to build on these results by helping the local organising groups left behind in each country.

The President appealed to co-operatives to increase their support for the work of IFCD. This year's Finance Act has introduced a scheme of tax relief in respect of donations to IFCD, which is registered as a charity. The effect of this is that any co-operative society or plc can now claim tax relief on any donation to IFCD.

The President's report was seconded by George Mc Meel and adopted unanimously.

DIRECTOR GENERALS ADDRESS

The Director General said that as part of the Agenda 2000 Agreement there is a commitment for a mid-term review of the milk quota system "with the aim of allowing the present quota arrangement to run out after 2006." This, he said, is part of a wider mid-term review of Agriculture, as cereals and other sectors will also be reviewed. There will also be a review of the budget. The Commission has engaged consultants to report by the end of the year. They will then consider that report and prepare their own report and proposals for the Council of Agriculture Ministers, probably in the first half of 2002, he said.

The issues which he said would influence the Commissioners thinking were market developments, WTO and enlargement negotiations, budget considerations and the wider agricultural policy debate.

The debate on future quota policy has begun and a range of preliminary positions have been taken. Political changes in European members states can result in different negotiating stances. ICOS he said, will be

looking at the options together with dairy co-ops over the coming months in order to make our input to the debate.

Over the past number of months, the dairy markets have strengthened for protein products (cheese, SMP, casein and WMP). He said that the Commission has been reducing supports for these products through cuts in export refunds and casein aid. These cuts undermined to some extent the benefits of the strengthening market. The protein market appeared to have recovered from the worst effects of BSE and FMD to some extent. The supply demand balance was better than was forecast.

The Director General said that ICOS had a concern however that if the \$ weakens or the € strengthens, then the Commission may not restore the refunds as quickly as the market conditions change.

Over the past year to 18 months he pointed out, there has been a sharp increase in the costs of running businesses. The two major factors here have been energy costs and labour costs. Diesel fuel for road vehicles has increased by about 25% over the past 2 years. Gas, which is used by many dairy processors for milk processing, has increased by about 50% or about 1 penny per gallon. On the pay side, the PPF will amount to almost 20% over the 33 months of the Agreement. There is considerable pressure in some areas to concede claims in excess of the PPF. ICOS have to be very conscious of the impact of the cost increases on the competitiveness of our businesses. Co-ops are concerned at the significant cost increases and have taken steps to streamline their businesses, in order to counteract the effects of the cost increases.

The Director General said that the ICOS mart strategy having identified the decline in core mart business had also suggested that enterprising marts could still develop and expand into new and related service areas.

The key elements of the mart strategy were he said:

- Fewer and larger mart societies;
- Engage in consolidation of sale centre activities based on customer and business needs;
- Expand the customer focussed selling/buying services;
- Improve management structures and representation and decision making function;
- Ensure that all members actively trade with the mart and to update the register of members.

ICOS has started this process and is working with groups of marts in confidence with a view to developing strategies that will strengthen co-op marts. There is a need to examine profit enhancing

diversifications, but that is not a substitute for strengthening the core livestock business in the mart sector he said.

All of the changes, which affect the co-operative sector, have an impact on ICOS and the services, that we provide, he said. The restructuring of the dairy sector has reduced the number of dairy co-ops from over 150 thirty years ago, to around 30 now. The mergers in the dairy sector and changed trading conditions in the livestock marts sector have the effect of reducing our income. Nevertheless, many of the services, that we provide continue to be required. These areas are our core activity, and our first priority in our work is to service the needs of our member co-operatives. These changes will however impact negatively on the income of ICOS, and the consequences of this will require further examination by the Organisation.

The Director General concluded by thanking the ICOS President, Board, Council and staff for their work during the year and also gave public acknowledgement to the excellent co-operation the Organisation receives from the Registry of Friendly Societies.

AOB

A resolution from Leinster Marts proposed, "that the Minister for Agriculture, Food and Rural Development urgently provide funding to cover the increased costs of livestock marts, arising directly from the foot and mouth crisis". Several speakers made contributions in favour of this motion and the meeting unanimously passed the resolution.

In response to a question in regard to proposed changes in the IPS legislation dealing with amalgamations by special resolution, the Director General advised the meeting that ICOS continued to lobby and make representations on this issue. The Bill, he said, had not as yet been published, a meeting was being sought with Minister Tracy and members would be kept advised of progress.

The Director General was complimented for the work being done by ICOS to remove the 30 day ban introduced by the Department of Agriculture, Food and Rural Development.

Following contributions from Messrs Hugo Maguire (Town of Monaghan), John Sexton (Barryroe) and Mary Coleman (Country Markets), the general meeting acknowledged the strong support of the public at large in keeping the worst effects of foot and mouth at bay and resolved that the farm organisations find some way of giving recognition to this fact.

Mr Frank Allen, representing the Irish Dairy Board asked delegates to think carefully about the future survival of farmer controlled co-operatives. With the level of structural change in the sector likely to accelerate, co-operatives needed to sit down together and carefully think out their strategy.

Mr Donie Cashman (IFAC) stated that the outcome of the Nice Referendum was regrettable and was one of the more serious backward steps since the foundation of the state. The President, Dessie Boylan, pointed out that ICOS had officially supported a yes vote and also regretted the outcome of the referendum.

Mr Billy Nagle (Dairygold) echoed the Presidents sentiments as to the need for all co-operatives to continue to support the work of IFCD in assisting co-operative development in third world countries. He pointed out that co-operatives who made contributions were entitled to claim that contribution as an expense for tax purposes.

PRESENTATION OF THE PLUNKETT AWARD

The President informed the delegates that it was his pleasant duty to announce that Mr Anthony Leddy, current chairman of the Cavan - Monaghan Rural Development Co-operative Society Limited, was this years winner of the Plunkett Award.

The President stated that Anthony Leddy had played a leading role in all aspects of farming and rural life at both national and local level for the past forty years. In particular, he had given sterling service to the Irish co-operative movement in rural Ireland. Anthony had been instrumental in setting up Carrigallen Mart in County Leitrim in the early 1970's. He also served as a board member of Killeshandra Co-operative and of its successor co-operative, Lakeland. He had been the key driving force in the establishment of Cavan Monaghan Rural Development Co-operative Society Limited in early 1990, and this has since brought considerable funding for innovation and enterprise into the Cavan - Monaghan area.

His role on the national stage included his Presidency of the ICMSA and subsequently vice presidency of the IFA. Internationally, Anthony had served his country as a member of the European Social and Economic Committee in Brussels. All in all, the President said, it was indeed fitting that the judges for the Plunkett Award had identified in Anthony Leddy a true co-operator.

This concluded the business of the meeting.

Delegates at the 2001 Annual General Meeting

Arrabawn Co-op

Patrick Ryan
Michael J Ryan
Francis Ryan
Richard Tobin
J C Murphy
Thomas Colleran
M Leenane
Brendan Lynskey
Seamus Ryan
Michael Casserley

Bandon Co-operative

Daniel Twomey
Gus O'Brien
William Burke
John Walsh (Snr)

Barryroe Co-operative

Donal Harte
Mairead Keohane
Peter Dineen
Joe O'Connor
John P. Breen

Centenary Co-operative

Pat Gleeson
William Kennedy

Connacht Gold Co-op

Sean O'Hanrahan
Liam Ellis
Gerry Mullaney
MJ Mahon
Alex Petrie
Paddy Killalea
James Reidy
Ernest Monson
Jimmy Boyle
Shane Butler

Co-operative Animal Health

Pat Delaney
William Hickey

Cork Co-op Marts

John O'Keeffe
Tom Hanley

Dairygold Co-operative

John Walsh
Michael McCormack
Con Halahan

David O Keeffe
Denis Lucey
William Nagle
Terence O Donnell
William Blake
Denis Cronin
Thomas Gallahue
Patrick Kelleher

Drinagh Co-Op

Patrick O'Brien
Dan Joe O'Donovan

Glanbia Co-operative

Thomas Corcoran
John Duggan
Eamon Power
Michael Walsh

Glen of Aherlow Co-operative

Aodh Kennedy
Pat Walsh
Tom O'Connor

Glenveagh Agricultural Co-op

John Keon
Lexie Tinney
Ivan Grier

Golden Vale Foods

J Hickey
Mike Doody

Golden Vale Mart

Maurice Lyons
PJ Buckley
Peter Honeyman
Michael Fox
Michael Dunne
Brendan Danaher
Timothy O Connor
Donal Danaher
Michael Brown
Clement McAuliffe

IAWS

Jim Maloney

Irish Dairy Board

Frank Allen
Tom Cleary

Michael Drea
Padraig Walshe

IFAC

Willie Gleeson
Donal Cashman

Kerry Co-operative Creameries

James Brosnan
Denis Buckley

Kilkenny Communications Co-op

Ann Gibbons

Kilkenny Co-Op Mart

William Harper
Liam Blackmore
Laurence Carroll
Laurence Cantwell
Ray Brophy

Lakeland Dairies

Eugene O Reilly
P Younge
Donal McDaid
Packie Brannigan
Jim McAweeney
Seamus Treacey

Lisavaird Co-operative

Frank Harte
Anthony O'Brien
John O'Donovan
John P. Crowley

Mid-Tipperary Co-op

Seamus Ryan
Tim O Dwyer

National Co-op FRS

Jim Maguire

Neenagh Mart

John O'Brien
John Fletcher

North Cork Co-op

MJ Howard
Michael Dennehy
John Aherne
Sean McAuliffe
Seamus Walsh

Tipperary Co-op

J.N. Horgan
Sean Murray
Matthew Quinlan
Patrick Heffernan
William Ryan
Cornelius Ryan

Town of Monaghan

Owen Sherry
George Mc Meel
Matt Caulfield
Hugo Maguire

Wexford Farmers Co-op

Frank Cordiff
James Whelan
Liam O Byrne
Thomas Doyle

Wexford Milk Products

Michael Vaughan
Pat Butler
Paddy Breen
Dan Doyle

ICOS Council

Pat O'Rourke
Sean Sweeney
John Sexton
Tom Parlon
Michael O'Dwyer
Terence O'Donnell
John Joe O'Brien
Pat O'Connor
Seamus Phelan
Ted Hunt
Padraic Gibbons
Mary Coleman
Martin Caulfield
Dessie Boylan
Nicholas Mc Eniry
Tom O'Brien

Guests

Martin Sisk
Paul Harrington
Sheila Blair
Seamus Crossey
Anthony Leddy



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