



# ANNUAL REPORT & ACCOUNTS

For the Year ended 31st MARCH 2015

**holstein** UK  
holstein & british friesland

Company Registered No: 3674328 (England & Wales)

Charity Registered No: 1072998



## OFFICERS OF THE SOCIETY

### **PRESIDENT      CHAIRMAN**

Mr R Miller      Mr A Dutton

### **REGISTERED OFFICE**

Scotsbridge House, Rickmansworth  
Herts WD3 3BB

## ADVISORS TO THE SOCIETY

### **AUDITORS**

Cox Costello & Horne Limited  
Langwood House  
63-81 High Street, Rickmansworth,  
Hertfordshire WD3 1EQ

### **BANKERS**

Barclays Bank PLC  
32 Clarendon Road, Watford  
Hertfordshire WD1 1LD

### **FUND MANAGERS**

Charles Stanley & Co Ltd  
25 Luke Street, London EC2A 4AR

### **SOLICITORS**

Burges Salmon  
One Glass Wharf  
Bristol BS2 0ZX

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### **PRESIDENT - Randolph Miller (Moorshard)**

It has been a great honour to be appointed as President of Holstein UK, a role that I took on at the AGM in October 2014 held at the Three Counties Showground, Malvern during the weekend of the ABAB Calf Show. I would like to take this opportunity to thank Jimmy Wilson for his good wishes he gave me for the coming year and his hard work during his year as president.

The ABAB Calf Show was a tremendous event to kick off my 17 month term as president; the high standard the young members compete at throughout the weekend is a credit to the Holstein Young Breeders movement and the Senior club members who support the teams attending the show.

Throughout the winter months, Marleen and myself have been thrilled to be invited to 15 club dinners and 2 AGMs, travelling the length and breadth of the country. Thank you to everyone who made us feel so welcome, it was a pleasure to attend all the dinners however

it certainly hasn't done the waistline any favours!

We have also been busy attending various shows and events since last October, meeting members and fellow breeders has been a wonderful experience and we have seen so fantastic cattle from across the country. One of the highlights so far in my term must have been judging the presidents medal award in December along with Andrew Birkle and Peter Arthur. Credit to these enthusiastic young breeders who I'm sure will go on to be industry leaders and congratulations to Thomas Hill who won the award, I look forward to keeping a close eye on his future career.

Along with trustees I also am delighted to welcome Richard Jones into his new role as Chief Executive and I wish him the best of luck in leading the society forward in the future against tough economic times however I have no doubt he is the right man for the job.

I am thoroughly enjoying the year so far and am looking forward to the rest of my time as President. I would like to take this opportunity to thank the team at Holstein, especially Lynette Steel and Rebecca Kirk for making our visits so stress-free and enjoyable.



### **CHAIRMAN - Andrew Dutton (Royan)**

It is a pleasure and a privilege to give the chairman's report for 2014/2015. Following on from John Edge, a turn around of income has been achieved on the previous year. The products that the Group provides to our members must be proving to be successful after the group results.

The Trustees are continuing to work hard improving HUK, following the decision being made to sell Scotsbridge House which has been the home of the Society for many years. We will be looking to find premises closer to the Midlands, which will enable us to give better electronic services and savings in costs, to you the member. Scotsbridge House has also been the home of many long standing employees, which we must not forget, and my thanks on your behalf go to them. Membership services have been a valuable support to all

members and other premises will be found to house these staff and services.

Registrations have risen above 220,000, classifications have also held ground in what is fast becoming a very difficult time for the dairy farmer. Membership is now 6,251 with HYB included in these numbers.

UK DAIRY DAY was very well received and now we look forward to the second event in September. The quality of cattle on show and the atmosphere at Telford 2014 provided all visitors with a good day out. Trade stands were well supported and this bodes well for September with the theme of 'Sharing Knowledge'.

CIS under the guidance of Managing Director Sue Cope is continuing to grow with health testing playing a bigger part in the development of Speir House. Milk recording is still growing. Once again thanking Sue and staff for their continued hard work.

CDI is going through changes with Sir John Marsh coming to the end of his chairmanship and I would like to thank him on your behalf. The databases for all breed societies are gathered and distributed through CDI and is an important part of the group. I would like to take this opportunity to welcome Neil Cutler to the chair and look forward to working with him in the future.

The hard work done by all staff in the turnaround of the financial position of HUK and subsidiaries must be complimented, which has helped put us in a strong position for the future.

Thanks should go to Charlotte Rose for her time in moving HUK into a better position. The Trustees always felt a CEO was what was needed and at the start of this present financial year Richard Jones took the CEO's position.

In taking the Chairman's role I would also like to thank my family back home especially Edith, the Trustees for being a great support and to Randolph Miller the President.

# STRATEGIC REPORT

## OPERATIONAL PERFORMANCE

The financial performance for the group during 2014/15 was a positive contrast to the prior year's results.

Incoming resources increased across the group by £870,471, which is a considerable rise over 2013/14 figures. This can be attributed to a number of factors. Registration figures were extremely high for the year, an almost 6% increase from 2013/14 which resulted in £138,393 of additional resources. Income from our inaugural dairy event added £297,877 and the Cattle Information Service continued to make great gains with a further £339,844 derived from health testing and milk recording.

The full letting of our investment properties in Rickmansworth and the growing number of commercial tenants at Scotsbridge House resulted in an additional income of £29,531.

Outgoing resources increased across the group by £315,758 during the period due to the additional cost of sales relating to greater testing in our subsidiary and the additional resources expended by hosting the UK Dairy Day event. These rises have been offset by the push by management during the year to reduce costs wherever necessary.

As a board, we are pleased to report that no shares from our portfolio were sold during the year to provide working capital for the group, as has been done in the past. Through our investment managers, Charles Stanley, and a general rise in market share values over the financial year, we have seen an increase in our portfolio of over 8%.

Looking forward, we are confident that through the significant downturn in milk prices we can still offer the best services to our members and help them whenever and wherever possible.

**ON BEHALF OF THE BOARD:** Mr A Dutton - Chairman 4th August 2015



## DIRECTORS' REPORT

The trustees who are also directors of the charity for the purposes of the Companies Act 2006, present their report with the financial statements of the charity for the year ended 31 March 2015. The trustees have adopted the provisions of the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' issued in March 2005.

**REFERENCE AND ADMINISTRATIVE DETAILS: Registered Company number** 3674328 (England and Wales)

**Registered Charity number** 1072998

**Registered office** Scotsbridge House, Rickmansworth, Hertfordshire, WD3 3BB

### Trustees

The trustees who served during the period were:-

<b>Elected 10.11.09</b>			<b>Elected 21.09.2010</b>		
Mr J Cousar	-	Scotland	Mr A Birkle	-	East Midlands
Mr A Dutton	-	North Midlands	Mr C Smith	-	Lancashire
Mr J Jamieson	-	Scotland	Mr E Griffiths	-	Yorkshire
Mr I Watson	-	Northern Ireland			
<b>Elected 27.09.2011</b>			<b>Elected 18.09.2012</b>		
Mr A Jones	-	North Wales	Mr I Morgan	-	South Wales
Mr M Carr	-	South Eastern	Mrs J Targett	-	Southern
Mr S Brough	-	Northern			
<b>Elected 18.09.2013</b>			<b>Retired 18.10.2014</b>		
Mr R A Bown	-	West Midlands	Mr J R Edge	-	North Western
Mr K W Proctor	-	Eastern	Mr R J Laity	-	Far Western
<b>Elected 18.10.2014</b>					
Mr M Nutsford	-	North Western			
Mr M Smale	-	Far Western			

**Auditors:** Cox Costello & Horne Limited, Chartered Accountants and Statutory Auditors, Langwood House, 63-81 High Street, Rickmansworth, Hertfordshire, WD3 1EQ

**Solicitors:** Burges Salmon, One Glass Wharf, Bristol, BS2 0ZX

**Fund Managers:** Charles Stanley & Co Limited, 25 Luke Street, London, EC2A 4AR

**Principal Bankers:** Barclays Bank Plc, 32 Clarendon Road, Watford, Hertfordshire, WD1 1LD

## STRUCTURE, GOVERNANCE & MANAGEMENT

### Governing document

The charitable company (charity) is a registered charity (charity no 1072998). The Strategic Report, report of the trustees and financial statements are submitted to the Charity Commission following approval by the membership at the Annual General Meeting (AGM). The charity is a company limited by guarantee and not having a share capital, incorporated on 25 November 1998. The charity is governed by its Memorandum and Articles of Association (company no. 3674328), which includes wide investment powers.

### Appointment of new trustees

The Articles of Association allows for the appointment of sixteen trustees, who are eligible to serve for a period of four years. The trustees also have the power to co-opt three members to the Board of Trustees (Board) to fill specialist roles. Co-opted members are appointed on annual basis at each subsequent AGM. All members within the region of the retiring trustees are circulated with invitations to nominate trustees prior to the AGM.

### Induction and training of new trustees

New trustees undergo an orientation day to brief them on their legal obligations under charity and company law, the content of the Memorandum and Articles of Association, the committee and decision making process, the business plan and recent financial performance of the charity. During the induction day, trustees meet key employees of the charity. Trustees are encouraged to attend appropriate external training events where these will facilitate the undertaking of their role.

The amount of expenses reimbursed to trustees during the period was £57,307 (2014 - £83,796). The charity is governed by sixteen trustees. During the period there were 7 (2014 - 7) trustees meetings, which achieved an 86% (2014 - 86%) attendance. The individual trustees percentage attendance for the period was as follows: A Birkle 100%, R Bown 86%, S Brough 86%, M Carr 86%, J Cousar 100%, A Dutton 100%, E Griffiths 86%, J Jamieson 86%, A Jones 100%, I Morgan 71%, M Nutsford 100%, K Proctor 100%, M Smale 75%, C Smith 100%, J Targett 86%, I Watson 86%. The outgoing trustees attendance was: J Edge 100%, R Laity 25%.

### Organisational structure

The Board administers the charity and meets on a regular basis. Within the Board, trustees are nominated to represent areas covering Breed Development, Shows & Sales, Research & Development, Membership & Marketing, Cattle Information Services, Finance & Holstein Young Breeders. A Chief Executive is appointed by the Board to manage the day-to-day operations of the charity. To facilitate effective operations the Chief Executive has delegated authority, within the terms of delegation approved by the Board, for operational matters including finance and employment.

### Risk management

The Board have examined the major strategic, business and operational risks which the Charity faces and confirm that systems have been established to enable regular reports to be produced so that necessary recommendations can be made to reduce these risks. The Board also consider non-financial risk arising from fire, and health and safety aspects of the employment of its staff. A key element in the management of financial risk is the setting of a reserves policy.

# TRUSTEES' REPORT

## OBJECTIVES AND ACTIVITIES

### Principal activities

The objects for which the charity is established are to encourage, promote and improve the breeding of Holstein & Friesian cattle in the United Kingdom. The principal activity of the Charity is that of the promotion of the Holstein & Friesian breeds and the recording and maintenance of pedigree records for the benefit of charity members.

### Objectives and aims

In setting out our aims and objectives the trustees have given careful consideration to the Charity Commission's general guidance on public benefit and in particular to its supplementary public benefit guidance on the advancement of animal welfare, the advancement of environmental protection or improvement and the advancement of education, and fee charging. The charity aims to increase the efficiency of dairy cattle, specifically Holstein and Friesian, in a sustainable manner consistent with the advancement of animal welfare and environmental protection. In doing so, to be recognised as the pre-eminent Independent Dairy Cattle Breed Society in the world through the provision of animal information and member services.

Membership of the charity is available not only to those whose interests are in the husbandry of Holstein and Friesian cattle, but the wider general public. Within the categories of membership there is a junior section for those aged 27 years of age and below with similar interest to those above and again this section is not restricted. The charity also offers a reduced membership for families who wish to maintain a communication with the charity. The trustees do not consider the membership fees for the above categories restrictive. Trustees are levied with the same fees for services as those incurred by the normal members of the Charity.

Our key objectives for the year have included the promotion of animal registration and assessment from which the Charity undertook 220,547 (2014 – 208,823) registrations of animals. The charity has established validation process. One of these involves the authentication of parentage via DNA samples. The charity continues to explore the technological advancement in collection and testing of DNA samples (Genomics). The charity resolved to undertake parentage validation tests for all male registrations, and to continue monitoring the number of tests undertaken for females to ensure acceptable compliance levels.

Of the 220,547 animals registered with the charity, 145,030 - 66% (2014 - 142,627 & 68%) details were passed to the Cattle Movement Service as passport applications. During the last financial year, the charity undertook, 131,218 (2014 - 134,871) inspections of animals which were assessed on 10 varying traits. The results of these assessments were published in the charity's journal and are freely available to view on the Charity's website. The assessments are acknowledged by the industry for independent use in valuation of animals.

The Charity's trading subsidiary is actively involved in disease testing and records a number of on farm events both on a compulsory and optional basis. During the period significant investment has again been made to enhance the capabilities for widening the number and variety of tests available, and UKAS accreditation has been obtained for a number of these tests. The Charity encourages wherever possible the inclusion of regular health and welfare programs for monitoring of the herd.

The Charity helps to facilitate the improvement of the breed through a broad range of research and policy activities, latterly these have included the development of an independent breeding programme. The Charity has developed the "Virtual" cow, a product which offers enormous benefits for education, training and welfare breeding outcomes. This product is freely available to UK educational establishments and is used overseas by a number of Herd Book associations. The Charity continues to collect information on a variety of traits and expand its research. A more recent development has been the availability of independent breeding programme.

The Charity has made representations and responded on a number of matters relating to dairy cattle breeding within Government and other recognised bodies. Information is available to the wider community via the Charity's own website [www.holstein-uk.org](http://www.holstein-uk.org) and via its trading subsidiaries [www.thecis.co.uk](http://www.thecis.co.uk) and [www.thecdi.co.uk](http://www.thecdi.co.uk). The Charity also publishes bi-monthly journals to communicate, and promote relevant topics to its members.

## ACHIEVEMENT AND PERFORMANCE

### Investment performance

Under the Memorandum and Articles of Association, the charity has the power to invest in anyway the trustees wish. The trustees currently operate a discretionary policy with its appointed Investment Broker. During the period, £304,718 (2014 - £482,349) was traded yielding a profit of £70,909 (2014 - £124,537). The funds raised, together with dividend income, allowed for £391,054 (2014 - £314,794) to be re-invested. The trustees acknowledge the importance of the charity's investments which support its activities and are satisfied that future requirements from its investment portfolio should be limited.

During the course of the previous financial year the management team discovered via an operational audit that over the course of a number of years some charity money was unaccounted for. Via thorough internal investigation it transpired that this could be due to inappropriate handling of charitable money by the past Executive Director and Head of Finance Greg Watson. The matter is currently in the hands of the police who are investigating the situation.

## FINANCIAL REVIEW

### Reserves policy

It is the policy of the charity to maintain unrestricted funds, which are free reserves of the charity. The purpose of maintaining unrestricted funds is to cover:

- administration and support costs for the charity
- designated projects to be undertaken when appropriate
- sufficient promotion of its objects

A substantial proportion of the reserves are held in property and assets other than cash. At the year end, assets represented by Net Current Assets represented on average 5 (2014 - 3) weeks running costs. Assets which could be reasonably realised represented 45% (2014 - 43%) of annual running costs.

The trustees consider it prudent that unrestricted reserves should be sufficient:

- to avoid the necessity of realising fixed assets held for Charity's use
- to cover one year's administration and support costs

The reserves policy is reviewed and monitored on an annual basis.

## FUTURE DEVELOPMENTS

The Charity will continue to promote and encourage the breeding of Holstein and Friesian cattle within the UK dairy herd. Where appropriate, links with other industry bodies and parties are being encouraged to achieve the charity's objectives. Centralising information and data for the benefit improvement of the dairy breed and the promotion of "complete" management systems, which embrace all the charity's services to its members, remains a key feature in the trustees plans, along with the expansion of health and welfare testing within the UK, and the collection of on farm data for research. The charity has redeveloped its independent mating program, again freely available, and will look to encourage its wider use. Where appropriate the charity will undertake research into available information promoting and disseminating the results to breeders. The charity resolves to disseminate the advice and information on an independent basis.

## STATEMENT OF TRUSTEES' RESPONSIBILITIES

The trustees (who are also the directors of Holstein UK Incorporating British Friesian Breeders for the purposes of company law) are responsible for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charitable company and the group and of the incoming resources and application of resources, including the income and expenditure, of the charitable group for that period. In preparing those financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently
- observe the methods and principles in the Charity SORP
- 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 charitable company will continue in business

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the trustees are aware:

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

The trustees are responsible for the maintenance and integrity of the corporate and financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## AUDITORS

The auditors, Cox Costello & Horne Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**ON BEHALF OF THE BOARD:** Mr AJ Dutton – Chairman 4<sup>th</sup> August 2015

# AUDITORS' REPORT

## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HOLSTEIN UK

We have audited the financial statements of Holstein UK Incorporating British Friesian Breeders for the year ended 31 March 2015 on pages seven to twenty one, which comprise the consolidated statement of financial activities (incorporating an income and expenditure account), the consolidated and charity balance sheets, the consolidated cash flow statement and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

## RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Statement of Trustees Responsibilities set out on page five, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

The maintenance and integrity of the charitable company's website is the responsibility of the trustees; the work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

## SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

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

## OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and charitable company's affairs as at 31 March 2015 and of the group's incoming resources and application of resources, including the group's income and expenditure and cash flows, for the year then ended
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006

## OPINION ON MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Strategic Report and Report of the Trustees for the financial year for which the financial statements are prepared is consistent with the financial statements.

## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

**Michael F Cox BSc FCA (Senior Statutory Auditor)** for and on behalf of Cox Costello & Horne Limited, Chartered Accountants and Statutory Auditors, Langwood House, 63-81 High Street, Rickmansworth, Hertfordshire, WD3 1EQ  
Date: 4th August 2015



# CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES

for the year ended 31<sup>st</sup> March 2015

		<b>31.3.15</b>	31.3.14
		<b>Unrestricted</b>	Total funds
		<b>funds</b>	
		<b>£</b>	£
<b>INCOMING RESOURCES</b>			
<b>Incoming resources from generated funds</b>			
Voluntary income	2	17,844	16,323
Activities for generating funds	3	5,775,108	5,386,333
Investment income	4	111,609	85,213
<b>Incoming resources from charitable activities</b>			
Subscriptions and fees for services	5	3,625,529	3,171,750
<b>Total incoming resources</b>		<u>9,530,090</u>	<u>8,659,619</u>
<b>RESOURCES EXPENDED</b>			
<b>Costs of generating funds</b>			
Costs of generating voluntary income	6	4,959,740	4,587,938
<b>Charitable activities</b>			
Cost of membership services	7	3,999,673	4,029,228
<b>Governance costs</b>	8	67,307	93,796
<b>Total resources expended</b>		<u>9,026,720</u>	<u>8,710,962</u>
<b>NET INCOMING/(OUTGOING) RESOURCES</b>		503,370	(51,343)
<b>Other recognised gains/(losses)</b>			
Revaluation of investment property		-	55,000
Gains/(losses) on investment assets		68,923	(13,316)
<b>Net movement in funds</b>		572,293	(9,659)
<b>RECONCILIATION OF FUNDS</b>			
<b>Total funds brought forward</b>		<u>6,242,566</u>	<u>6,252,225</u>
<b>TOTAL FUNDS CARRIED FORWARD</b>		<u><u>6,814,859</u></u>	<u><u>6,242,566</u></u>
<b>CONTINUING OPERATIONS</b>			
All incoming resources and resources expended arise from continuing activities.			

# CONSOLIDATED BALANCE SHEET

as at 31<sup>st</sup> March 2015

	Notes	Group		Charity	
		31.3.15 £	31.3.14 £	31.3.15 £	31.3.14 £
<b>Fixed Assets</b>					
Tangible assets	12	3,189,221	3,364,018	2,116,091	2,107,276
Investments					
Investments	13	1,087,912	1,003,562	1,892,103	1,809,184
Investment property	14	1,765,000	1,765,000	1,765,000	1,765,000
		<u>6,042,133</u>	<u>6,132,580</u>	<u>5,773,194</u>	<u>5,681,460</u>
<b>Current Assets</b>					
Stocks	15	95,347	113,466	-	-
Debtors	16	1,331,702	1,168,067	1,545,224	1,576,006
Cash at bank and in hand		495,568	361,999	289,038	21,365
		<u>1,922,617</u>	<u>1,643,532</u>	<u>1,834,262</u>	<u>1,597,371</u>
<b>Creditors</b>					
Amounts falling due within one year	17	(1,057,593)	(1,338,370)	(589,275)	(788,656)
<b>NET CURRENT ASSETS</b>					
		<u>865,024</u>	<u>305,162</u>	<u>1,244,987</u>	<u>808,715</u>
<b>Total Assets Less Current Liabilities</b>					
		<u>6,907,157</u>	<u>6,437,742</u>	<u>7,018,181</u>	<u>6,490,175</u>
<b>Creditors</b>					
Amounts falling due after more than one year	18	(92,298)	(195,176)	(92,298)	(195,176)
<b>NET ASSETS</b>					
		<u>6,814,859</u>	<u>6,242,566</u>	<u>6,925,883</u>	<u>6,294,999</u>
<b>FUNDS</b>					
	22				
<b>Unrestricted funds</b>					
General fund		3,915,301	3,341,022	3,220,149	2,587,834
Revaluation reserve tangible assets		1,933,329	1,933,329	1,933,329	1,933,329
Revaluation reserve investments		966,229	968,215	1,772,405	1,773,836
		<u>6,814,859</u>	<u>6,242,566</u>	<u>6,925,883</u>	<u>6,294,999</u>

The financial statements were approved by the Board of Trustees on 4th August 2015 and were signed on its behalf by:

Chairman            Mr A J Dutton – chairman  
Trustee             Mr K W Proctor - trustee

Registered Company Number: 3674328 (England and Wales)

Registered Charity Number: 1072998

## CASH FLOW STATEMENT

For the year ended 31<sup>st</sup> March 2015

	Notes	31.3.15 £	31.3.14 £
<b>Net cash inflow from operating activities</b>	1	553,271	203,390
<b>Returns on investments and servicing of finance</b>	2	30,691	33,826
<b>Capital expenditure and financial investment</b>	2	(170,644)	241,009
		<u>413,318</u>	<u>478,225</u>
<b>Financing</b>	2	(102,878)	(98,060)
		<u>310,440</u>	<u>380,165</u>
<b>Increase in cash in the period</b>		<u>310,440</u>	<u>380,165</u>
<b>Reconciliation of net cash flow to movement in net debt</b>	3		
Increase in cash in the period		310,440	380,165
Cash outflow from decrease in debt and lease financing		102,878	98,060
		<u>413,318</u>	<u>478,225</u>
Change in net debt resulting from cash flows		<u>413,318</u>	<u>478,225</u>
<b>Movement in net debt in the period</b>		413,318	478,225
<b>Net debt at 1 April as restated</b>		(142,519)	(620,744)
		<u>270,799</u>	<u>(142,519)</u>

### 1 RECONCILIATION OF NET INCOMING (OUTGOING) RESOURCES TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	31.3.15 £	31.3.14 £
Net incoming/(outgoing) resources	504,801	(55,756)
Depreciation charges	330,014	168,634
Dividends received	(30,691)	(33,826)
Decrease in stocks	18,119	18,298
(Increase)/decrease in debtors	(163,635)	69,927
(Decrease)/increase in creditors	(105,337)	36,113
	<u>553,271</u>	<u>203,390</u>
<b>Net cash inflow from operating activities</b>	<u>553,271</u>	<u>203,390</u>

# CASH FLOW STATEMENT

## 2 ANALYSIS OF CASH FLOWS FOR HEADINGS NETTED IN THE CASH FLOW STATEMENT

	<b>31.3.15</b> £	31.3.14 £
<b>Returns on investments and servicing of finance</b>		
Dividends received	30,691	33,826
	<hr/>	<hr/>
<b>Net cash inflow for returns on investments and servicing of finance</b>	<b>30,691</b>	<b>33,826</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(155,217)	(51,083)
Purchase of fixed asset investments	(391,054)	(314,794)
Sale of fixed asset investments	375,627	606,886
	<hr/>	<hr/>
<b>Net cash (outflow)/inflow for capital expenditure and financial investment</b>	<b>(170,644)</b>	<b>241,009</b>
	<hr/> <hr/>	<hr/> <hr/>
<b>Financing</b>		
Loan repayments in year	(102,878)	(98,060)
	<hr/>	<hr/>
<b>Net cash outflow from financing</b>	<b>(102,878)</b>	<b>(98,060)</b>
	<hr/> <hr/>	<hr/> <hr/>

## 3 ANALYSIS OF CHANGES IN NET DEBT

	At 1.4.14 £	Cash flow £	At 31.3.15 £
<b>Net cash:</b>			
Cash at bank and in hand	361,999	133,569	495,568
Bank overdrafts	(209,342)	176,871	(32,471)
	<hr/>	<hr/>	<hr/>
	152,657	310,440	463,097
	<hr/>	<hr/>	<hr/>
<b>Debt:</b>			
Debts falling due within one year	(100,000)	-	(100,000)
Debts falling due after one year	(195,176)	102,878	(92,298)
	<hr/>	<hr/>	<hr/>
	(295,176)	102,878	(192,298)
	<hr/>	<hr/>	<hr/>
<b>Total</b>	<b>(142,519)</b>	<b>413,318</b>	<b>270,799</b>
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

## 1 ACCOUNTING POLICIES

### **Basis of preparing the financial statements**

The financial statements have been prepared in accordance with applicable United Kingdom accounting standards, with the applicable requirements of the Statement of Recommended Practice 'Accounting and Reporting by Charities' (SORP), issued in March 2005, the Charities Act 2011, and under the historical cost accounting rules, except for investments which have been included at market valuation or the value considered appropriate by the Board of Trustees.

The financial statements are drawn up on the going concern basis which assumes Holstein UK will continue in operational existence for the foreseeable future. The Board of Trustees have given due consideration to the working capital and cash flow requirements of Holstein UK. The Board of Trustees consider Holstein UK's current and forecast cash resources to be sufficient to cover the working capital requirements of the charity for at least 12 months.

As permitted by Section 408 of the Companies Act 2006 and paragraph 397 of SORP 2005, a separate income and expenditure account dealing with the results of the charitable company only has not been presented.

### **Basis of consolidation**

The charitable company has two wholly owned subsidiaries, The Cattle Information Service Limited and The Centre for Dairy Information Limited, which are registered in England. Consolidated financial statements for the group, being Holstein UK, The Cattle Information Service Limited and The Centre for Dairy Information Limited have been prepared on a line by line basis.

### **Related party transactions**

The charity has taken advantage of the exemption set out in FRS8 not to disclose any transactions between the charity and the subsidiaries.

### **Accounting convention**

The financial statements have been prepared under the historical cost convention, with the exception of investments which are included at market value, as modified by the revaluation of certain assets the Companies Act 2006 and the requirements of the Statement of Recommended Practice, Accounting and Reporting by Charities.

### **Incoming resources**

All incoming resources are included in the consolidated SOFA when the charity is legally entitled to them, receipt is virtually certain and the amount can be measured with sufficient reliability.

### **Voluntary income**

Donations are recognised in the period in which they are received.

### **Subscriptions**

Subscriptions received are included in the SOFA on the day in the year which they fall due.

### **Entry fees**

Entry fees received are included in the SOFA only after the relevant animal has been accepted for registration.

### **Deferred income**

Deferred income represents amounts received for future periods and is released to income resources in the period for which it has been received.

### **Resources expended**

Resources expended are recognised in the period in which they are incurred on an accruals basis. Resources expended include attributable VAT which cannot be recovered.

Costs of charitable activities include direct expenditure incurred through operational activities together with associated support costs. Charitable expenditure is reported as a functional analysis of the work undertaken by the charity.

The costs of generating funds relate to the costs incurred by the group and charitable company in raising funds for the charitable work.

Governance costs are those associated with the governance arrangements relating to the strategic operations of the charity as opposed to those costs associated with general running of the charity, fundraising or charitable activity. These governance costs include external audit costs, trustee costs and directors' time in governance of the organisation.

Resources expended are allocated to the particular activity where the cost relates directly to that activity. However, support costs, comprising the salary and overhead costs of the central function, are apportioned on the basis of staff numbers in each area of activity. These staff numbers are listed in the notes to the financial statements.

# NOTES TO THE ACCOUNTS

## 1 ACCOUNTING POLICIES - Continued

### Tangible fixed assets

Tangible and intangible fixed assets are stated at historic cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided at rates calculated to write down the cost of each asset to its estimated residual value over its expected useful life. The depreciation periods in use on a straight line basis are as follows:

Freehold land and buildings	- nil
Computer and equipment	
• Furniture and fittings	-10 years
• Motor vehicles	- 4 years
• Office machinery and equipment	- varying rates - 2 to 8 years
• Computer equipment	- 2 years

Freehold land and buildings (which includes the historical cost of the land, plus any freehold improvements) are maintained to such a standard that the trustees consider that their estimated residual value is not less than their cost and as such no depreciation has been charged.

Freehold land and buildings are held for long-term benefit of the charity and are stated at market value, which is supported by market evidence, as assessed by qualified external valuers. Changes in market values are recorded in the SOFA and held in the unrealised revaluation reserve account.

Items of computer and equipment are capitalised where the purchase price exceeds £250. Assets are reviewed for impairment if circumstances indicate their carrying value may exceed their net realisable value and value in use.

### Investment property

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in market value is transferred to a revaluation reserve.

Investment property is held for long-term rental yields and is not occupied by the Group. Investment property is stated at market value, which is supported by market evidence, as assessed by qualified external valuers. Changes in market values are recorded in the SOFA and held in the unrealised revaluation reserve account.

### Stocks

Stocks are stated at the lower of cost and net realisable value. Stocks represent consumables. Net realisable value is based on estimated selling prices, less further costs expected to be incurred to finished and disposal. Provision is made for obsolete or slow-moving items where appropriate.

### Taxation

The charity is exempt from corporation tax as all its income is charitable and is applied for charitable purposes. The charity's trading subsidiaries pay available profits to the charity as a charitable donation. Their charge to corporation tax in the year was £1,431 (2014: £nil).

### Fund accounting

Unrestricted funds are the funds that are available for use at the discretion of the trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

Restricted funds are used for specified purposes as laid down by the donor. Expenditure which meets these criteria is identified to the fund, together with a fair allocation of management and support costs where appropriate. Negative balances are only carried forward where further income is virtually certain in the following year.

Further explanation of the nature and purpose of each fund is included in the notes to the financial statements.

### Research and development

Expenditure on research and development is written off in the year in which it is incurred.

### Foreign currencies

Transactions denominated in foreign currencies are translated at the rate of exchange at the end of the month as an approximation to actual transaction dates. Foreign currency balances are translated at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains/losses incurred are included in the SOFA for the period in which they are incurred.

### Leasing commitments

Rentals payable under operating leases, where substantially all the risks and rewards of ownership remain with the lessor, are charged to the SOFA in the year on a straight line basis.

### Pension costs

The charity operates a money purchase scheme providing benefits on a defined contribution basis. The assets of the scheme are held separately from those of the charity in an independently administered fund. The pension cost represents contributions payable under the scheme by the charity to the fund.

At the balance sheet, contributions outstanding amounted to £nil (2014 - £nil).

## NOTES TO THE ACCOUNTS

### 2 VOLUNTARY INCOME

	<b>31.3.15</b> <b>Unrestricted</b> <b>funds</b> £	31.3.14 Total funds £
Gift aid	17,844	16,323
	<hr/> <hr/>	<hr/> <hr/>

### 3 ACTIVITIES FOR GENERATING FUNDS

	<b>31.3.15</b> <b>Unrestricted</b> <b>funds</b> £	31.3.14 Total funds £
Testing and recording	5,576,296	5,201,606
Registrations and classification	140,177	136,002
Sundry income	58,635	48,725
	<hr/>	<hr/>
	<b>5,775,108</b>	<b>5,386,333</b>
	<hr/> <hr/>	<hr/> <hr/>

### 4 INVESTMENT INCOME

	<b>31.3.15</b> <b>Unrestricted</b> <b>funds</b> £	31.3.14 Total funds £
Rents received	80,918	51,387
Fixed asset investment income	30,691	33,826
	<hr/>	<hr/>
	<b>111,609</b>	<b>85,213</b>
	<hr/> <hr/>	<hr/> <hr/>

### 5 INCOMING RESOURCES FROM CHARITABLE ACTIVITIES

#### Activity

Subscriptions and fees for services	<b>31.3.15</b> £	31.3.14 £
Subscriptions	258,785	259,299
Herd book entry fees	1,895,636	1,757,243
Re-issue, transfer fees and fines	54,909	79,921
Superior producer awards	27,606	22,017
Journal advertising	75,902	74,113
Linear assessment/ classification fees	862,123	841,510
Catalogue and herd brochure services	5,385	7,183
Other society services	17,256	16,686
Herd book services and sundry income	130,050	113,778
Events	297,877	-
	<hr/>	<hr/>
	<b>3,625,529</b>	<b>3,171,750</b>
	<hr/> <hr/>	<hr/> <hr/>

# NOTES TO THE ACCOUNTS

## 6 COSTS OF GENERATING VOLUNTARY INCOME

	<b>31.3.15</b>	31.3.14
	<b>Unrestricted funds</b>	Total funds
	£	£
Staff costs	1,453,299	1,441,662
Motor vehicle lease charges	149,167	152,892
Marketing and publicity	58,000	46,264
Telephones, postage and stationery	106,347	85,984
Speir House and laboratory costs	1,000,918	953,931
Vehicle costs	68,975	82,568
Subcontractors	1,411,504	1,349,587
Trade and membership fees	23,811	60,310
Staff expenses	147,128	171,829
Professional fees and charges	179,065	68,358
Depreciation	330,014	168,635
Other costs and charges	31,512	5,918
	<b>4,959,740</b>	<b>4,587,938</b>

## 7 CHARITABLE ACTIVITIES COSTS

	<b>Direct costs</b>	Totals
	£	£
Cost of membership services	3,999,673	3,999,673

	<b>31.3.15</b>	31.3.14
	<b>Unrestricted funds</b>	Total funds
	£	£
Salaries and wages	1,641,323	2,051,064
Social security	196,046	226,306
Pensions and benefit costs	149,878	248,910
Motor vehicle lease charges	124,055	150,682
Hire of office equipment	30,165	17,245
Marketing and publicity	98,595	151,991
Conferences and other events	43,924	59,251
Shows	490,552	142,624
Journal printing and circulation	118,779	85,926
Facilities management and utilities	153,386	140,682
Telephones, postage and stationery	147,133	161,647
Computer maintenance	11,667	46,400
IT development charges	71,747	47,998
Staff expenses	28,034	56,678
Field staff	212,829	193,339
Research and business development	26,239	26,547
Professional fees and charges	404,586	183,330
Other costs and charges	50,735	38,608
	<b>3,999,673</b>	<b>4,029,228</b>

## 8 GOVERNANCE COSTS

	<b>31.3.15</b>	31.3.14
	<b>Unrestricted funds</b>	Total funds
	£	£
Trustees' remuneration and expenses	57,307	83,796
Auditors' remuneration	10,000	10,000
Support costs	-	-
	<b>67,307</b>	<b>93,796</b>



# NOTES TO THE ACCOUNTS

## 9 NET OUTGOING RESOURCES

Net resources are stated after charging:

	<b>31.3.15</b>	31.3.14
£	£	
Auditors' remuneration – audit fees	10,000	10,000
Auditors' remuneration – other services	66,975	8,230
Depreciation - owned assets	330,014	168,635
Motor vehicle lease charges	273,222	303,574
Hire of office equipment	30,165	17,245
	<u>31.3.15</u>	<u>31.3.14</u>

## 10 TRUSTEES' REMUNERATION AND BENEFITS

The following were paid to trustees during the year ended 31 March 2015.

There was no other remuneration or benefits for the years ended 31 March 2015 and 31 March 2014.

### Trustees' remuneration and expenses

	<b>31.3.15</b>	31.3.14
£	£	£
Chairman's honorarium	-	7,500
Trustees' expenses	57,307	76,296
	<u>31.3.15</u>	<u>31.3.14</u>

## 11 STAFF COSTS

Staff costs for the charity and group were as follows:

	<b>31.3.15</b>	31.3.14
£	£	£
Wages and salaries	2,912,517	3,304,455
Social security costs	317,742	347,047
Other pension costs & benefits	210,287	316,440
	<u>3,440,546</u>	<u>3,967,942</u>

The average monthly number of employees during the year was as follows:

	<b>31.3.15</b>	31.3.14
Full time equivalents	114	112
	<u>31.3.15</u>	<u>31.3.14</u>

Included in the average number of employees are 16 (2014 - 10) employees who were not employed full time throughout the year.

The number of employees whose emoluments fell within the following bands was:

	<b>31.3.15</b>	31.3.14
£60,001 - £70,000	2	3
£70,001 - £80,000	1	-
£80,001 - £90,000	-	1
	<u>3</u>	<u>4</u>

# NOTES TO THE ACCOUNTS

## 12 TANGIBLE FIXED ASSETS The Group

	Freehold land and buildings £	Computer and equipment £	Totals £
<b>COST OR VALUATION</b>			
At 1 April 2014	2,100,000	2,965,248	5,065,248
Additions	-	155,217	155,217
	<hr/>	<hr/>	<hr/>
At 31 March 2015	2,100,000	3,120,465	5,220,465
	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>			
At 1 April 2014	-	1,701,230	1,701,230
Charge for year	-	330,014	330,014
	<hr/>	<hr/>	<hr/>
At 31 March 2015	-	2,031,244	2,031,244
	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>			
At 31 March 2015	2,100,000	1,089,221	3,189,221
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2014	2,100,000	1,264,018	3,364,018
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

### The Charity

	Freehold land and buildings £	Computer and equipment £	Totals £
<b>COST OR VALUATION</b>			
At 1 April 2014	2,100,000	1,232,498	3,332,498
Additions	-	8,815	8,815
	<hr/>	<hr/>	<hr/>
At 31 March 2015	2,100,000	1,241,313	3,341,313
	<hr/>	<hr/>	<hr/>
<b>DEPRECIATION</b>			
At 1 April 2014	-	1,225,222	1,225,222
Charge for year	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 March 2015	-	1,225,222	1,225,222
	<hr/>	<hr/>	<hr/>
<b>NET BOOK VALUE</b>			
At 31 March 2015	2,100,000	16,091	2,116,091
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
At 31 March 2014	2,100,000	7,276	2,107,276
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

### The Group and Charity

The freehold land and buildings were revalued at £2,100,000 by Brasier Freeth, Chartered Surveyors, on the 10 November 2011. The historical cost of freehold land and buildings were £352,948 (2014 - £352,948).

## 13 FIXED ASSET INVESTMENTS The Group

	<b>Listed investments £</b>
<b>MARKET VALUE</b>	
At 1 April 2014	1,003,562
Additions	391,054
Disposals	(375,627)
Net gains	<u>68,923</u>
<b>NET BOOK VALUE</b>	
At 31 March 2015	<u>1,087,912</u>
At 31 March 2014	<u>1,003,562</u>

### The Charity

	<b>Shares in group undertakings £</b>	<b>Listed investments £</b>	<b>Totals £</b>
<b>MARKET VALUE</b>			
At 1 April 2014	805,622	1,003,562	1,809,184
Additions	-	391,054	391,054
Disposals	-	(375,627)	(375,627)
Net gains	<u>(1,431)</u>	<u>68,923</u>	<u>67,492</u>
<b>NET BOOK VALUE</b>			
At 31 March 2015	<u>804,191</u>	<u>1,087,912</u>	<u>1,892,103</u>
At 31 March 2014	<u>805,622</u>	<u>1,003,562</u>	<u>1,809,184</u>

### The Group and Charity

Included within listed investments are overseas investments amounting to £526,125 (2014 - £433,542).

The historical cost of investments was £887,664 (2014 - £801,272). The Trustees consider the value of the investments to be supported by their underlying assets.

### The Charity

The charity's investments at the balance sheet date in the share capital of companies include the following:

#### The Cattle Information Service Limited

Nature of business: Milk recording and testing services

Class of share:

	% holding
Ordinary A	100
Ordinary B	100

	<b>31.3.15</b>	31.3.14
	£	£
Aggregate capital and reserves	<u>804,191</u>	<u>805,621</u>
Profit for the year	<u>(1,431)</u>	<u>72,091</u>

The subsidiary has been included in the financial statements as a fixed asset investment at the value of that company's net assets as at 31 March 2015. The investment had previously been written off.

# NOTES TO THE ACCOUNTS

## 13 FIXED ASSET INVESTMENTS - Continued

### The Centre for Dairy Information Limited

Nature of business: Collection of statistics and data of livestock

Class of share: % holding

Limited by guarantee and has no share capital -

	<b>31.3.15</b>	31.3.14
	£	£
Aggregate capital and reserves	(111,024)	(52,433)
	<u>          </u>	<u>          </u>
Loss for the year	(58,591)	(52,433)
	<u>          </u>	<u>          </u>

The results of the subsidiary have been included in the financial statements. The subsidiary has negative net assets as at 31 March 2015 and not included as a fixed asset investment.

## 14 INVESTMENT PROPERTY

### The Group and Charity

#### MARKET VALUE

At 1 April 2014 and 31 March 2015

Revaluation

£

1,765,000

-

#### NET BOOK VALUE

At 31 March 2015

1,765,000

At 31 March 2014

1,765,000

The investment properties were revalued at £1,095,000 by Brasier Freeth, Chartered Surveyors, on the 10 November 2011. The trustees do not consider any change is required since the last valuation. In addition, Speir House (an investment property) was revalued on 25 April 2014 at £670,000. The historical cost of the investment property was £615,000 (2014 - £615,000).

## 15 STOCKS

	Group		Charity	
	31.3.15	31.3.14	31.3.15	31.3.14
	£	£	£	£
Consumables	95,347	113,466	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

## 16 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	31.3.15	31.3.14	31.3.15	31.3.14
	£	£	£	£
Trade debtors	1,173,739	1,043,535	596,128	551,285
Amounts owed by group undertakings	-	-	838,993	939,288
Other debtors	41,058	22,222	36,158	17,323
Prepayments and accrued income	116,905	102,310	73,945	68,110
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
	1,331,702	1,168,067	1,545,224	1,576,006
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

# NOTES TO THE ACCOUNTS

## 17 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Charity	
	31.3.15 £	31.3.14 £	31.3.15 £	31.3.14 £
Bank loan and overdrafts (see note 19)	132,471	309,342	109,675	261,421
Trade creditors	135,118	74,231	71,732	33,847
Social security and other taxes	72,160	87,279	52,825	69,701
VAT	191,757	162,547	13,527	13,480
Other creditors	197,477	176,891	58,390	31,311
Accruals and deferred income	328,610	528,080	283,126	378,896
	<u>1,057,593</u>	<u>1,338,370</u>	<u>589,275</u>	<u>788,656</u>

## 18 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

### The Group and Charity

	31.3.15 £	31.3.14 £
Bank loan (see note 19)	<u>92,298</u>	<u>195,176</u>

## 19 LOAN

### The Group

An analysis of the maturity of loan is given below:

	31.3.15 £	31.3.14 £
Amounts falling due within one year on demand:		
Bank overdrafts	32,471	209,342
Bank loan	<u>100,000</u>	<u>100,000</u>
	<u>132,471</u>	<u>309,342</u>
Amounts falling between one and two years:		
Bank loan - 1-2 years	<u>92,298</u>	<u>100,000</u>
Amounts falling due between two and five years:		
Bank loan - 2-5 years	<u>-</u>	<u>95,176</u>

### The Charity

An analysis of the maturity of loan is given below:

	31.3.15 £	31.3.14 £
Amounts falling due within one year on demand:		
Bank overdraft	9,675	161,421
Bank loan	<u>100,000</u>	<u>100,000</u>
	<u>109,675</u>	<u>261,421</u>
Amounts falling between one and two years:		
Bank loan - 1-2 years	<u>92,298</u>	<u>100,000</u>
Amounts falling due between two and five years:		
Bank loan - 2-5 years	<u>-</u>	<u>95,176</u>

# NOTES TO THE ACCOUNTS

## 20 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year:

	Group 31.3.15	Charity 31.3.14	31.3.15	31.3.14
	£	£	£	£
Expiring:				
Within one year	42,932	40,535	25,970	2,978
Between one and five years	343,433	220,049	231,501	130,247
	<u>386,365</u>	<u>260,584</u>	<u>257,471</u>	<u>133,225</u>

## 21 SECURED DEBTS

The Group and Charity

The following secured debts are included within creditors:

	31.3.15	31.3.14
	£	£
Bank loan	192,298	295,176

Bank loan is secured by fixed charge against the freehold land and buildings of the charity.

## 22 MOVEMENT IN FUNDS

The Group

	At 1.4.14	Net movements adjustment	At 31.3.15 in funds
	£	£	£
<b>Unrestricted funds</b>			
General fund	2,587,834	634,301	3,222,135
Funds retained within a non-charitable subsidiary	753,188	(60,022)	693,166
Revaluation reserve tangible assets	1,933,329	-	1,933,329
Revaluation reserve investments	968,215	(1,986)	966,229
<b>TOTAL FUNDS</b>	<u>6,242,566</u>	<u>572,293</u>	<u>6,814,859</u>
<b>The Charity</b>			
	At 1.4.14	Net movements in funds	At 31.3.15
	£	£	£
<b>Unrestricted funds</b>			
General fund	2,587,834	632,315	3,220,149
Revaluation reserve tangible assets	1,933,329	-	1,933,329
Revaluation reserve investments	1,773,836	(1,431)	1,772,405
<b>TOTAL FUNDS</b>	<u>6,294,999</u>	<u>630,844</u>	<u>6,925,883</u>

Net movement in funds, included in the above are as follows:

The Group

	Incoming resources	Resources expended	Gains and (losses)	Movement in funds
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	4,630,383	(4,066,991)	70,909	634,301
Funds retained within a non-charitable subsidiary	6,649,792	(6,709,814)	-	(60,022)
Revaluation reserve tangible assets	-	-	-	-
Revaluation reserve investments	-	-	(1,986)	(1,986)
<b>TOTAL FUNDS</b>	<u>11,280,175</u>	<u>(10,776,805)</u>	<u>68,923</u>	<u>572,293</u>
<b>The Charity</b>				
	Incoming resources	Resources expended	Gains and (losses)	Movement in funds
	£	£	£	£
<b>Unrestricted funds</b>				
General fund	4,630,383	(4,066,9014)	68,923	632,315
Revaluation reserve tangible assets	-	-	-	-
Revaluation reserve investments	-	-	(1,431)	(1,431)
<b>TOTAL FUNDS</b>	<u>4,630,383</u>	<u>(4,066,991)</u>	<u>67,492</u>	<u>630,884</u>

## 23 PENSION COSTS

The charitable company (charity) and The Cattle Information Service Limited (subsidiary), both operate a money purchase scheme providing benefits on a defined contribution basis.

For those current members who had service prior to the 31 December 1991 and 9 July 2002 respectively, the scheme aims to provide similar benefits at normal retirement age to those previously provided under the Holstein-Friesian Society and Scottish Milk Limited Retirement Plan respectively, but these target benefits are not guaranteed. These members have individually calculated employer contribution rates calculated so that, on the basis of assumptions regarding future experience, the target benefits provided from the money purchase schemes will be similar to those which would have been provided had they continued service within the Holstein-Friesian Society and Scottish Milk Limited Retirement Plan respectively.

These contribution rates are subject to regular review by the charity, subsidiary and Phoenix Life & Pensions although the charity and subsidiary are under no obligation to amend these contribution rates.

For the 2014 scheme year employee contribution rates for all employees and employer contribution rates for new members who joined the scheme were 5% of pensionable earnings. Those members with long service have variable contribution rates.

## 24 ULTIMATE PARENT COMPANY

There is no ultimate parent company.

## 25 ULTIMATE CONTROLLING PARTY

The trustees consider there is no ultimate controlling party of the charity.

## 26 COMPANY LIMITED BY GUARANTEE

The company is limited by guarantee and has no share capital. Every member of the company undertakes to contribute to the assets of the company in the event of its being wound up, for payments of the debts and liabilities of the company, such amount as may be required, not exceeding £1.



# STATISTICS

For the period 1st April 2014 to 31st March 2015

REGION	MEMBERS		REGISTRATIONS						CLASSIFICATIONS	
	2014/15	2013/14	2014/15	2013/14	2014/15	2013/14	2014/15	2013/14	2014/15	2013/14
			Male		Female		Graded			
East Midlands	238	256	81	87	6,603	6,742	570	638	3,634	5,530
Eastern	137	154	28	33	2,510	2,591	69	85	1,918	2,422
Far Western	598	617	298	574	21,469	21,662	2,148	1,801	11,624	11,802
Lancashire	339	338	155	145	10,780	9,275	883	534	7,383	6,779
North Midlands	438	445	111	113	11,917	11,817	490	785	8,337	7,955
North Western	576	609	257	311	19,651	18,495	1,377	1,090	12,518	12,935
Northern	468	488	325	326	17,224	15,191	1,515	860	10,729	10,174
South Eastern	107	110	37	43	2,868	3,259	503	762	2,007	2,632
Southern	481	503	197	211	16,981	18,505	923	1,815	9,957	11,176
West Midlands	335	351	142	181	10,544	10,442	617	845	5,990	7,083
Yorkshire	340	353	121	92	9,840	9,429	709	513	5,625	5,922
Northern Ireland	901	910	986	1,040	22,133	19,621	2,806	1,359	17,717	16,422
Scotland	510	518	350	390	21,591	18,983	2,188	1,388	12,433	11,995
North Wales	228	240	71	51	6,577	6,379	459	549	4,541	6,109
South Wales	597	623	143	134	19,999	18,327	1,226	1,332	16,735	15,870
Overseas	11	12	1	0	73	18	1	0	70	65
<b>Total</b>	<b>6,304</b>	<b>6,527</b>	<b>3,303</b>	<b>3,731</b>	<b>200,760</b>	<b>190,736</b>	<b>16,484</b>	<b>14,356</b>	<b>131,218</b>	<b>134,871</b>



## CLUB CONTACTS

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- Reduce the risk of inbreeding

## CLASSIFICATION

- Pin point strengths and weaknesses in your herd
- Identify profitable traits such as longevity and fertility

## GENOMICS

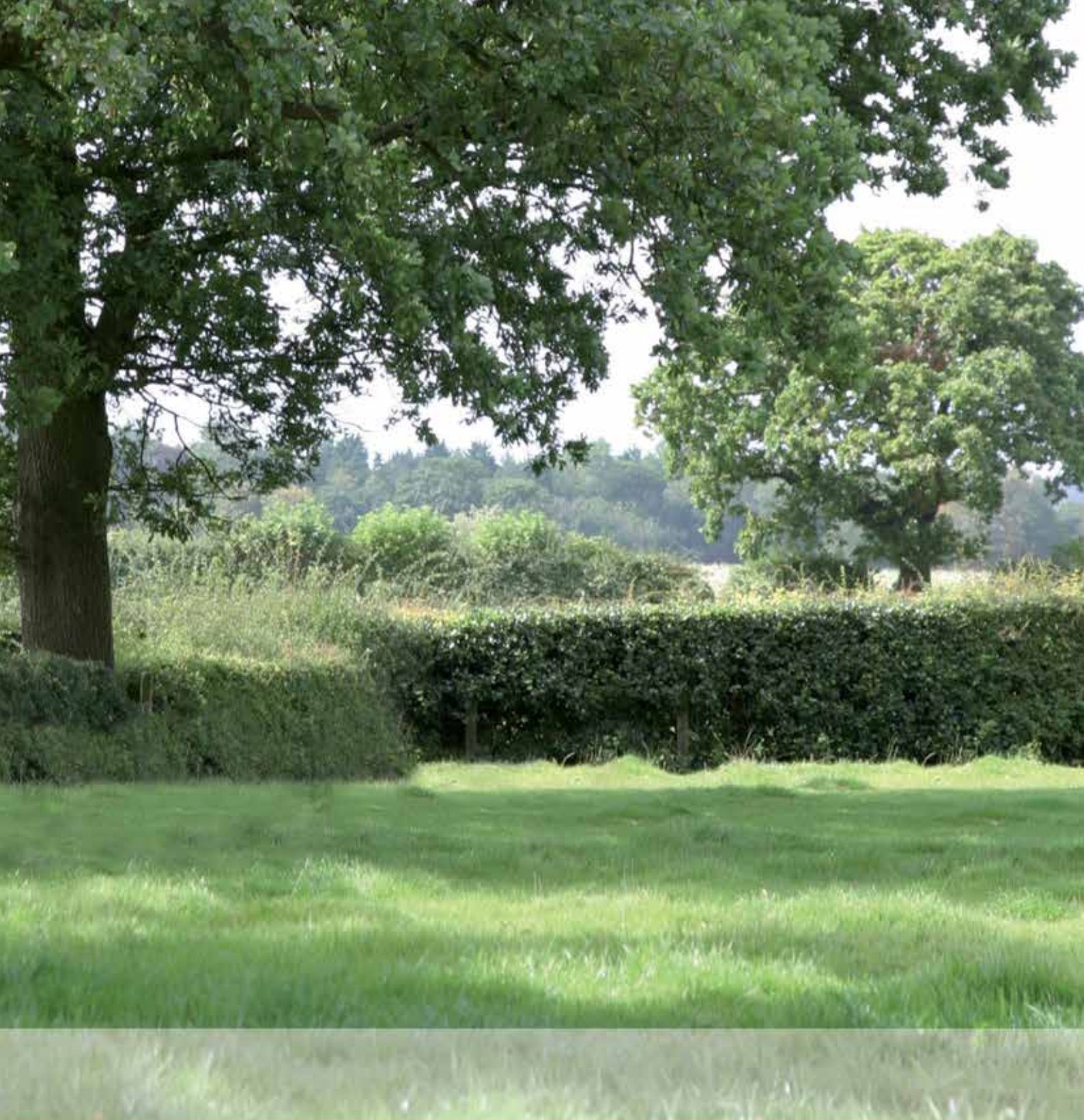
- Unlock your herd's breeding potential by increasing the reliability of the pedigree index

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