

icbf



**2020**  
ANNUAL REPORT



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Department of  
**Agriculture,  
Food and the Marine**

An Roinn  
**Talmhaíochta,  
Bia agus Mara**

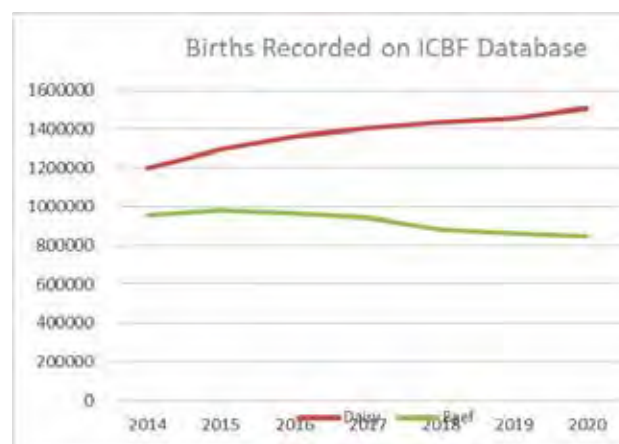
## SUMMARY of 2020

ICBF exists to benefit our farmers, our agri-food industry and our communities through genetic gain. We do this through the delivery of high value, low cost services from the cattle breeding database, by developing and applying science and technology to ensure our farmers and industry make the most profitable and sustainable decisions. The overall trends being delivered through genetic improvement continue to be very positive and are delivering real value for money for farmers and the industry.

On both dairy and beef, we continue to be focused on providing a breeding infrastructure that is facilitating improved profitability and sustainability of the sectors.

In 2020 the major contributions ICBF made towards the profitability of farmers and the agri-food industry included:

- On-going increases in the genetic merit of our dairy (EBI) and beef (Eurostar) cattle population
- The continued high usage of genomically selected (GS) bulls in dairy cattle breeding, with an increase in the numbers of females genotyped
- Delivery on behalf of the Department of Agriculture (DAFM) of the Beef Data and Genomics Programme (BDGP). The trends emerging in beef breeding continue to be very encouraging with genetic gain now being seen on the Replacement Index after many years of zero improvement.
- On-going participation in the HerdPlus® service to of 24,000 Beef and Dairy herds
- Continuation of the Maternal Beef Breeding Programme, including the continued use of Tully in its role as a performance test centre for commercial cattle.
- On-going roll-out of the new Dairy Beef Index to help improve the quality of beef from the dairy herd
- On-going engagement with the dairy processors on the Coop Performance Reports and the use of the ICBF database in their strategic planning efforts
- Provision of the background information system to support the Animal Health Ireland ([www.animalhealthireland.ie](http://www.animalhealthireland.ie)) national health programmes.



**Figure 1**

In 2020, 70,777 herds, with 2.35 million calvings (dairy and beef) (Figure 1) were participating in one or more aspects of the ICBF database.

The 2020 Beef Data and Genomics Programme, which was the final year in the original CAP scheme, had a very successful conclusion, with the overwhelming majority of herds successfully meeting their targets. The scheme has also continued to enhance the amount of data on beef cattle (as well as providing genotypes) in Ireland and has enabled substantial further progress in the development of our genetic evaluations for traits relevant to beef cattle in Ireland.

The ICBF cattle breeding database continues to improve the scope of both beef and dairy genetic evaluations. As in previous years, 2020 saw the AI companies purchasing Irish bred Holstein Friesian bulls for subsequent progeny testing through the GENE IRELAND® dairy program. They also continued to facilitate the wide use of GS bulls at a young age. The Irish dairy industry is benefiting from rapid genetic gain giving rise to cows that are more productive, more fertile and more robust. In 2020 beef genetic evaluations for calving, docility, direct weaning weight, carcass, maternal milk and female fertility all benefited significantly from the extra data collected through the Department of Agriculture schemes, as well as data received from a variety of other sources. As beef and dairy breeding decisions are increasingly based on genetic evaluations, the opportunity for increased profitability of beef and dairy farming is being advanced.

Thanks to continued strong support from DAFM, the tag contribution from farmers, and robust service income from our service providing partners, ICBF ended the year with a financial surplus.

Our research has shown that those herds who are fully engaged across the range of cattle breeding services are more profitable. Thus, ICBF continues to focus on

increasing farmer uptake of those recording and breeding services that give them the greatest economic returns. The focus on how this will be done is through greater engagement with the service providers and industry stakeholders. ICBF's development effort is increasingly focused on streamlining the flow of data from all sources, while improving the quality of the information returned to farms. Initiatives with industry partners are being undertaken to use the ICBF database to provide better quality information to improve decision-making at farm, service providers, and industry, research and breeder levels.

## MISSION

ICBF exists to benefit our farmers, our agri-food industry and our wider communities through genetic gain. We do this by the application of science and technology to ensure that our farmers and industry make the most profitable and sustainable decisions. Genetic improvement comes about when the parents of the next generation are genetically superior to their contemporaries. Bringing about improvement requires:

- Identification, ancestry and quantitative data on those traits of importance for large numbers of animals in each generation. We achieve this by ICBF hosting the national animal database, with significant support from the DAFM AIM system in this regard.
- A genetic evaluation system to identify the genetically superior animals in each generation. On-going investment in the development of evaluations for new traits will be required as more and more of the industry relies on genetic gain to drive the sustainability agenda.
- A breeding scheme design that ensures the required data is available, and that farmers use genetically superior animals in each generation and that our animal's carbon footprint is reducing year on year.
- Well informed and engaged farmers and industry partners who willingly provide accurate data from their own farms and make full use of the information available in their breeding and farm management decisions.

## Genomics

Cattle breeding continues to undergo a transformation as a result of the use of genomics. This technology is enabling Ireland to be at the forefront of cattle breeding developments internationally.

That Ireland is able to lead in the exploitation of genomic technology is a consequence of a number of key factors.

- The availability of large volumes of phenotypic data on large numbers of animals in the ICBF database
- Having access to highly skilled and well-motivated technical staff in both ICBF and Teagasc.
- Partnerships with international collaborators that are providing access to knowledge, technology and research material.
- The creation of one of the world's biggest databases of genomic and phenotypic data.
- Access to the ICBF database and genetic evaluation system, to support the research and, roll out subsequent genomic services to the industry
- Dairy and beef farmers who are convinced of the merits of the EBI and Eurostar Indexes respectively and use them as the main basis for selecting AI sires and stock bulls.
- A forward looking AI breeding industry that responds quickly to the availability of new evaluation models and breeding technology and is willing to invest to help them better meet the needs of Irish farmers.

## Genomic Services

ICBF continues to develop the infrastructure to enable the Irish cattle breeding industry to fully exploit the benefits of genomic information while at the same time minimising costs. During 2020 the focus continued to be on enhancing the systems and services to support the process from selecting a calf for genotyping through collecting a tissue sample, to sending the sample to the lab for testing, to receiving the genotype back into the ICBF database, to incorporating the genomic information in the genetic evaluation for the animal and finally, to the distribution of the results. The ultimate goal is to have every calf genotyped at birth. The 2020 Beef Data and Genomics Programme played a large part in the genotyping of over 350,000 animals, with the US the only country in the world doing more genotyping.

## Dairy Genomics

2020 saw the on-going roll-out of genomic selection for dairy cattle. In spring 2020, over 70% of recorded dairy inseminations were from such bulls.

## Dairy Females

As part of the DAFM funded ‘GreenBreed’ project in 2020, and as part of the DNA Calf Registration Pilot Programme, we saw on-going genotyping of dairy females by farmers. Many farmers now see the genotyping of young stock as a routine part of running their dairy enterprise. As the cost of genotyping continues to fall, we are looking to increase levels of genotyping of heifers by farmers significantly.

## Beef

The development of genomic selection for beef cattle breeding has progressed again in 2020. The continued roll-out of the Beef Data and Genomics Programme by DAFM has seen a major shift in the level of Beef Genotyping and we are now seeing genetic progress on the Replacement Index, delivering on the promises of the scheme.

## Genetic Evaluations

Our overall goal is to ensure the ready availability of accurate genetic evaluations for all traits, breeds and animals (national & international) of significance to Irish cattle farmers.

Our strategy is spread over traits common to beef and dairy, and those specific to dairy or beef.

## Common to Beef and Dairy

Our strategy for traits common to beef and dairy is to research, develop, implement and continuously improve across-breed evaluations that make optimal use of all national and international data relevant to calving, fertility, survival, beef production, and suckler-cow maternal traits.

Having started in 2005, across breed genetic evaluations for a wide range of calving and beef traits are routinely provided to the Irish cattle breeding industry. These evaluations enable animals of all breeds (beef and dairy) to be compared with each other for many traits including direct and maternal calving ease, gestation length, calf mortality, carcass weight, carcass grade, carcass fat score and mature cow live weight. 2020 saw us launch genetic evaluations for TB and Liverfluke for the first time.

## Dairy Specific

Our goal for the dairy herd is to continuously enhance the accuracy and relevance of the EBI (Economic Breeding Index) as a guide for breeding dairy replacements. We are also seeking to continuously improve genetic evaluations for all the current traits and introduce new traits as the research allows.

The Dairy Beef index was launched in 2019 and further promoted in 2020, with the aim of ensuring that farmers can make the most profitable decisions when using beef bulls to breed beef off-spring from the dairy herd.

## Beef Specific

Our strategy is to research, develop, implement and continuously improve the accuracy and relevance of the EuroStar index as a guide for beef breeding decisions. Throughout 2020, the Beef Data Programme and Beef Genomics Scheme played a key role in building the data set on which genetic evaluations are based. This is critical, as an on-going supply of quality data is critical to building confidence around the genetic evaluations for the beef traits. In conjunction with Meat Technology Ireland, genetic evaluations for Meat Eating Quality were launched in 2020

## Cattle Breeding Services

The level of participation in cattle breeding services continues to grow. This firstly benefits herd owners who are now using breeding stock that give greater farm profitability. It is also providing a substantial benefit to ICBF’s members who are enjoying increased service uptake, with the benefits that an integrated database brings. This in turn provides valuable data and service income to ICBF.

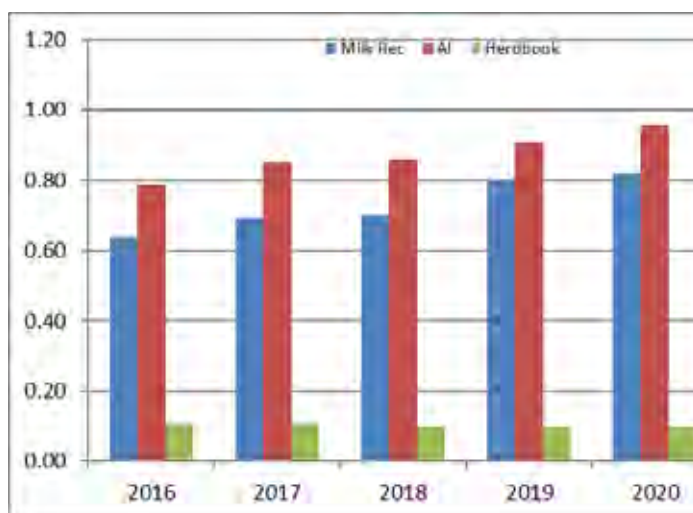


Figure 2. Cattle breeding participation (millions).

## Services to Herd Books

There was on-going development in relation to the herdbook processing service in 2020. The progression

towards the genotyping of all herdbook registered animals continues, with a number of herdbooks now genotyping all pedigree males as well as any first calved pedigree females.

### Milk Recording

ICBF's strategy is to work closely with its milk recording members, and to make full use of new technology to reduce labour, reduce inconvenience for farmers and to reduce the cost of recording. Our long term goal is to help the service providers increase usage of milk recording to all dairy herds.

In 2020, despite the impact of COVID, the uptake of milk recording was ahead of 2019. Milk recording levels were at 0.82 million cows (across 6,900 herds). The on-going use of the Milk Recording App that recorders use on farm continues to help in removing paper and helping reduce errors and turnaround times in the process.

### Electronic Data from Farms

Our strategy is to work closely with service-providing members to expand farmer electronic data recording through the introduction of new recording systems and the integration of data from electronic systems at farm level to the ICBF database. Results for 2020 again show growth in ICBF website usage. The bull search on the ICBF website was used for over 4.5 million searches in 2020, a 8% increase on the 2019 figures. The development of our website (pc and mobile versions) and Apps to collect data directly from farms, when coupled with the wide range of links to DAFM, and other systems, provides great potential to reduce the cost of animal events recording and processing, while, at the same time, reducing error levels and providing farmers with a more responsive information service.

### Electronic Data from Technicians

In 2020, some 967,000 inseminations were recorded through the AI handheld application, with on-going increases as a result of more technicians using the service.

This system eliminates delays due to processing dockets while at the same time providing farmers with near real-time information for mating decisions. The facility for avoiding inbred matings continues to be particularly useful in matings where comprehensive data is available for bulls and cows.

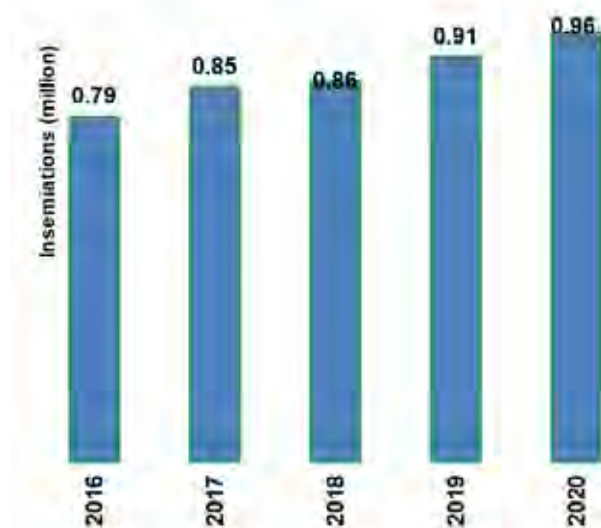


Figure 3. Inseminations recorded via AI Handhelds.

### Supporting Health and Disease Services

Our strategy is to extend the genetic indices to include a greater focus on the Animal Health and Welfare traits. This has become an area of increasing focus for ICBF and our service providers as we move towards better evaluations for all 'Cost of Production' traits. Our relationship with Animal Health Ireland continues to be particularly constructive in delivering value for the Irish industry. In 2020 this included the provision by ICBF of the key information system infrastructure for the AHI National Programmes.

### HerdPlus®

The HerdPlus® service is built around genetic evaluations and reproduction information on a whole-herd basis. By focusing on the needs of farmers, ICBF has been able to design, build and market a service that dairy and beef farmers are finding particularly good value for money.

The HerdPlus® service has enabled ICBF to save on costs associated with providing information (e.g. EBI reports, breeding charts, and cow reports) to farmers who did not require it and to generate income by providing information to those farmers who value it.

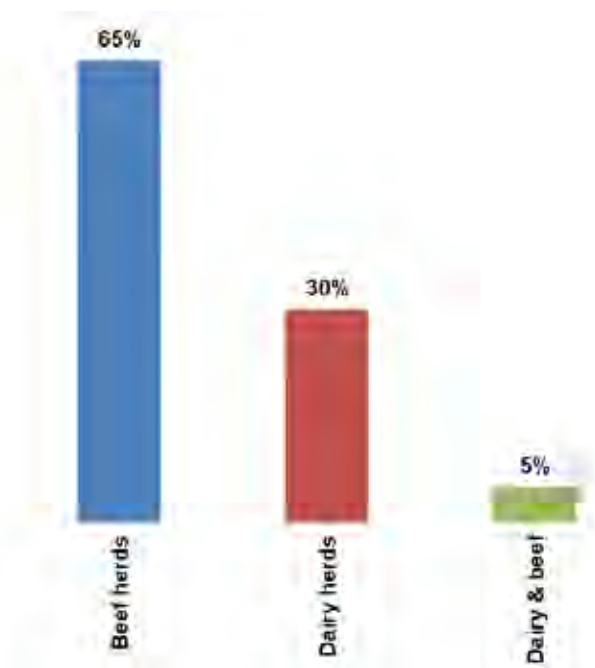
### Sire Advice

To ensure farmers have ready access to breeding advice, ICBF's strategy is to ensure a sire advice facility is available to all cattle farmers to guide the selection

of the most suitable sires for use in their herds, and to ensure that cows are mated to those sires that give the best economic returns in the future.

The service, first introduced in spring 2007, has been progressively enhanced on the basis of farmer feedback and the service for spring 2020 incorporated the most recent suggestions.

Criteria used in the advice include; avoidance of in-breeding, minimization of risk from lethal genes and maximization of future profits from the resulting progeny. The information is provided to the farmer, the farmer's breeding adviser(s) and is downloaded to the handheld computers used by AI technicians.



**Figure 4.** HerdPlus® Membership percentages (Herds) in 2020.

### Advisory Support Service

ICBF is providing an information service to Teagasc advisors, private advisors, ICBF service providers and Veterinarians. The service provides advisors with access to herd reports (with herd owners' permission) along with discussion group information and analyses of herd performance statistics. This service reduces the amount of time advisors need to spend on gathering and analysing data, thus freeing up time for focusing on farm management decisions.

### Milk Processors

The Coop Performance Report, which has been developed in partnership with milk processors, continued to be very popular in 2020. This service makes use of

data held in the respective databases (ICBF and processor) to provide herd owners with information that allows them to assess the performance of their herd on a number of key performance indicators.

### Breeding Schemes

ICBF's strategy is to ensure that the cattle breeding industry achieves optimal economic returns for Irish cattle farmers. This requires a clear understanding of both optimal breeding scheme design and the currently operating design for each breed of cattle in Ireland. Further, it implies that ICBF will then seek to ensure the industry moves towards the optimal design. This approach is most advanced for the Holstein Friesian breed, and huge credit must go to the indigenous AI companies and IHFA for the proactive approach they have taken to genotyping large volumes of animals.

### GENE IRELAND® Dairy and Beef

Our strategy is to work closely with NCBC, Dovea and other AI organisations to provide support for bull selection and progeny testing, in tightly targeted herds, in order to achieve the optimal design for dairy and beef breeds in Ireland.

In 2005 and 2007 respectively for dairy and beef, the GENE IRELAND® progeny test schemes were launched in collaboration with the AI industry. The number of bulls progeny tested and herds participating remains strong. Genomics has led to a stabilising in the overall numbers of bulls being tested.

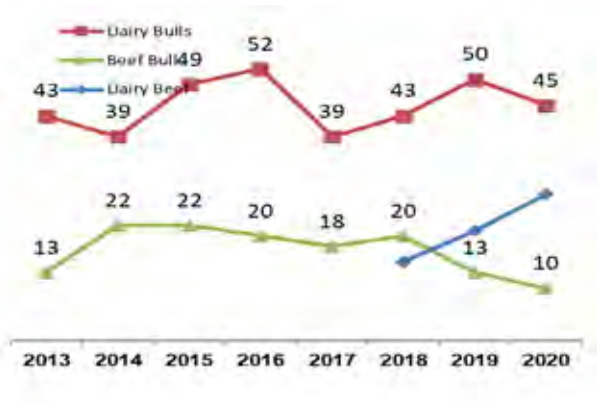
### Genetic Gain – Dairy

A strong rate of genetic gain seen in the early years has been maintained due to the continued use of genomic selection.

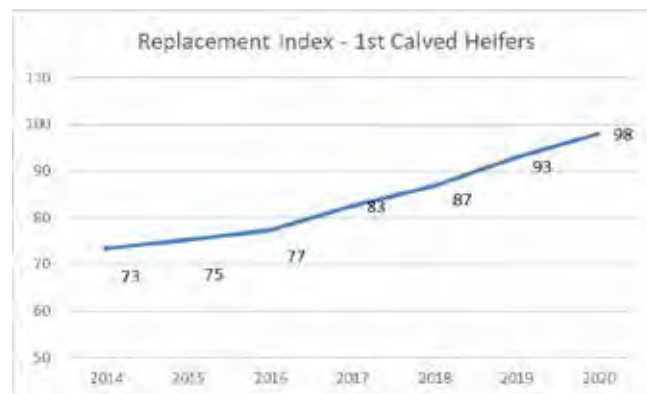
The net impact on the future national dairy herd is improved profitability from increased milk production (increased protein, increased fat and no increase in water), and improved fertility (shorter calving intervals) from more robust cows (greater survival).

These improved trends are a direct result of ICBF's efforts and demonstrate that ICBF is delivering, in conjunction with the cattle breeding industry, on its mission of increasing the rate of genetic gain in Irish dairy cattle.





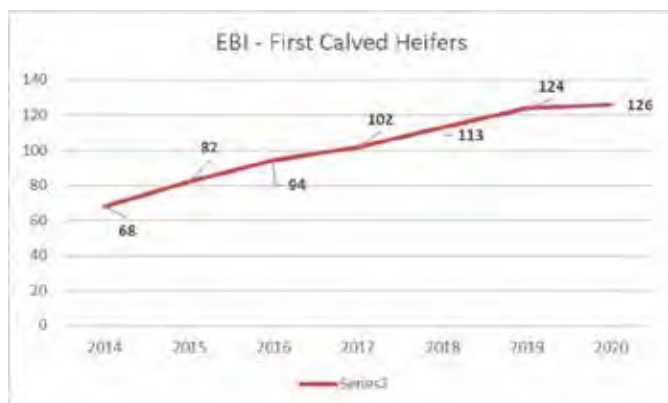
**Figure 5.** Bulls tested in GENE IRELAND dairy and beef progeny test programs



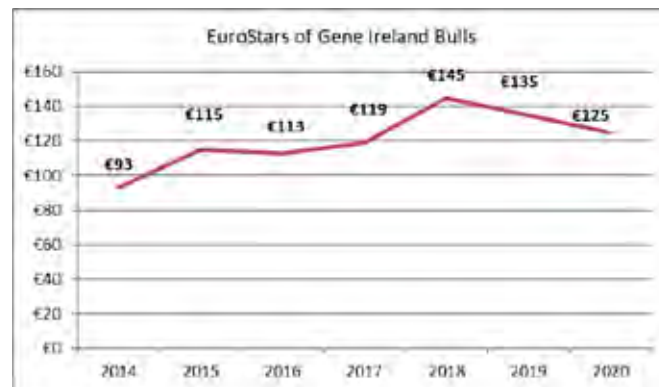
**Figure 7.** Replacement index (€) for Suckler females by year of first calving

### Beef Gene Ireland

The Beef Gene Ireland programme continues to make progress. 2020 saw ICBF move away from the purchase of bulls and let the AI companies take on that role. We have more work to do in this area.



**Figure 6.** EBI averages by Year of First Calving



**Figure 8.** Replacement index (€) for Gene Ireland Beef Bulls

### Tully

The role of Tully continues to evolve. It continues to provide extremely valuable data to the industry. Continued investment from DAFM in a new electronically feed measurement system has improved efficiency at the centre. 2020 also saw the first introduction of Methane measurement systems. It has proven to be a very worthwhile exercise with excellent cooperation between ICBF, Teagasc, and the meat processors to ensure that the maximum amount of data is captured from those animals.

The future role of Tully is also an integral element of GENE IRELAND®.

### Genetic Gain – Beef

Genetic progress in the suckler herd has turned around and significant gains are now being made.

Some of the initiatives on beef are as follows:

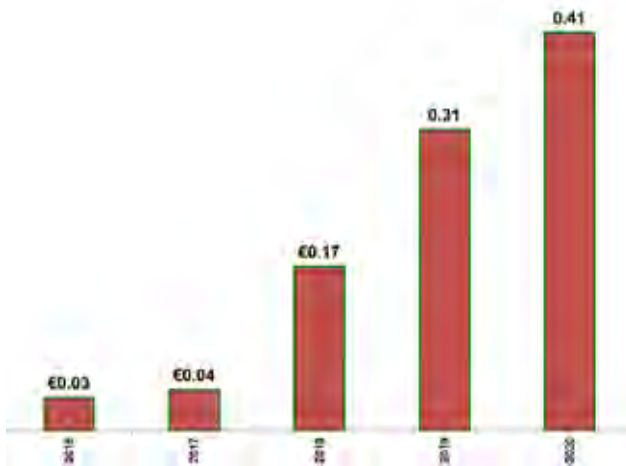
- Maternal Bull Breeder/Whole Herd Performance Recording Programme.** This element of the Beef Gene Ireland programme was designed to (a) achieve more accurate and complete data in beef breeding herds and (b) place more emphasis on maternal traits in pedigree beef breeding. DAFM’s BEEP-S scheme will allow us to evolve this programme further in 2021
- GENE IRELAND® Beef Progeny Testing Scheme.** The model by which the progeny test bulls are procured underwent a significant change in 2020. ICBF will no longer buy the bulls from breeders. This role is now carried out by the AI companies directly, on the back of guidelines drafted in consultation with the breed societies, commercial farmers, and the AI industry.

- **G€NE IRELAND® Dairy-Beef Progeny Testing Scheme.** We started testing Dairy Beef Bulls through Gene Ireland in 2018. This continued in 2020 with 21 bulls tested. The testing of Dairy Beef Bulls will continue to grow as the role of beef from the dairy herd increases in importance.
- **Genomics.** DAFM’s Beef Data and Genomics Programme, a huge initiative by international standards, has moved the level of genomics data on beef animals to a new level.
- **BEEP-S–** DAFM’s Beef Environmental Efficiency Pilot, which saw close to 400,000 suckler cow and calf combinations weighed in 2020 was very well received by farmers, and has provided a wealth of valuable data for genetic evaluations.
- **Meat Technology Ireland** has a number of elements that ICBF are centrally involved in, especially in relation to Tully and the work we do with Slaney Meats on Meat Eating Quality. This culminated in 2020 with the launch of national Meat Eating Quality evaluations.

## Financials

### 2020 Results

The final audited result for 2020 is a surplus of €409,000 which compares with a surplus of €310,000 for 2019 (figure 9).



**Figure 9.** Final audited results for 2020 and previous years

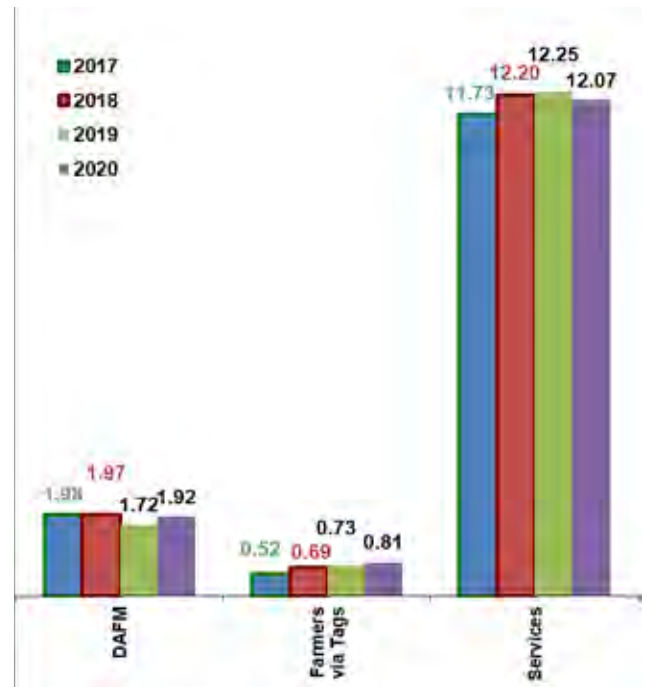
In 2020 ICBF income included contributions from the following sources:

- DAFM in the form of a Grant, BDGP Scheme costs, and Cattle Breeding Infrastructure contributions to infrastructure projects. Cattle Breeding Infrastructure funds made contributions towards

G€NE IRELAND®, and projects for the development of genetic evaluations and the development of systems for collecting data and reporting information to farmers.

- Cattle farmers through the Tag Contributions
- The cattle breeding industry, DAFM, and farmers through service fees,

**Figure 10** Revenue in € million.



These funds cover the cost of on-going operations and the cattle breeding infrastructure projects undertaken in 2020 as outlined in the audited accounts.

## Resources

ICBF is using a number of resources in pursuit of its mission. These include:

### People

ICBF is fortunate to have a group of highly skilled, energetic and committed people, who in 2020 have put in a huge effort to deliver on-going value to Irish Farmers and the wider industry. In the remote working scenario in 2020, the staff have done an incredible job to keep the business operating normally.

## Offices

ICBF's main office and database computers are based at Highfield House which is a property owned by Shinagh Estates Limited (SEL) near Bandon, Co. Cork. Our planned move to Ballincollig in 2020 was delayed and we now expect this to happen in 2021.

## Tully

The Bull Performance Test Centre at Tully, Co. Kildare is leased from DAFM. These facilities are capturing strategically important profitability and carbon footprint related data for the industry and have benefited from significant investment from Cattle Breeding Infrastructure Funds in new feed bins and methane measurement facilities in recent years.

## IT Infrastructure

ICBF's database runs on computers located in Highfield House and Shinagh House. The ICBF database is constantly undergoing development and upgrades in order to keep on top of the ever growing requirements associated with increased volumes of data, especially in the era of genomics and big data.

## EDIY Calibration Laboratory

This laboratory, located in Bandon, houses specialist equipment, which is used to ensure the EDIY electronic milk meters used by the industry are performing according to specification.

## International

ICBF maintains a number of important international linkages including:

- providing leadership for the development of international beef genetic evaluations through the ICAR Interbeef Working Group,
- participation in international research forums including ICAR and Interbull, and
- participation in international research collaborations including the European Wide EEIG spectral data project.

This international network enables ICBF to keep up to date with scientific developments relevant to Irish cattle breeding.

## Support

ICBF wishes to acknowledge and express its appreciation for the support and co-operation received from a large number of individuals and organisations. The relationships we have with the cattle breeding service

providers are crucially important in delivering the benefits at farm level. The collaborative nature of ICBF's activities depends to a large extent on the goodwill of its membership, the wider agricultural community and cattle farmers.

The leadership and support provided by DAFM has been a key to the success of ICBF. DAFM has long recognised the value that can be created through the availability of a well-integrated cattle breeding database.

The financial support provided through the Cattle Breeding Infrastructure Funds towards the creation of an efficient cattle breeding infrastructure is now delivering benefits to farmers, to the cattle breeding industry and to the wider community. We wish to acknowledge this support and express our appreciation for the leadership and vision that DAFM provides to our industry and cattle breeding in particular.

## Future Prospects

Despite the challenges of COVID, 2020 has been a year where we have continued to exploit the new cattle breeding technologies for the benefit of Irish farmers. Our strategic plan has us focused on meeting the very real challenges ahead in keeping up with the world's best in terms of the use of data and technology.

However, the key to ICBF's success remains the same - the application of good science, a focus on the needs of farmers, working closely with our stakeholders and a 100% commitment to delivering by a talented and dedicated team.

We are most fortunate to operate in an environment where ICBF's vision is shared by our Board, our members, DAFM, and, most importantly, Irish Farmers.

**Sean Coughlan**

**Michael Doran**

**Chief Executive**

**Chairman**

**Irish Cattle Breeding Federation  
Society Limited**

Financial statements for the year  
ended 31 December 2020

**IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED**

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**FINANCIAL STATEMENTS  
for the year ended 31 December 2020**

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## IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED

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### SOCIETY INFORMATION

#### COMMITTEE OF MANAGEMENT

Mr. M. Doran (Chairman)	Mr. K. Kinsella
Mr. B. Eivers	Mr. T. Fitzgerald
Mr. T. Wilson	Mr. P. Kelly
Mr. K. Coffey	Mr. G. O'Dwyer
Mr. D. Lucey	Mr. V. Gorman
Mr. R. Whelan	Mr. S. O' Leary (resigned 18 June 2020)
Mr. A. Woods	Mr. M. Ryan (resigned 18 June 2020)
Mr. B. Callanan	Mr. S. Sherman (appointed 14 July 2020)
Mr. P. Hannan	Mr. T. Phelan (appointed 14 July 2020)

SECRETARY Mr. J. Carty,

CHIEF EXECUTIVE Mr. S. Coughlan

SOCIETY'S ADDRESS AND REGISTERED OFFICE Highfield House,  
Shinagh,  
Bandon,  
Co. Cork.

SOLICITORS Hallissey & Partners Solicitors,  
41 South Main Street,  
Bandon,  
Co. Cork.

Ronan Daly Jermyn,  
2 Park Place,  
City Gate Park,  
Mahon Point,  
Cork.

BANKERS AIB Bank,  
South Main Street,  
Bandon,  
Co. Cork.

AUDITORS Ernst & Young,  
Chartered Accountants,  
City Quarter,  
Lapps Quay,  
Cork.

## IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED

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### COMMITTEE OF MANAGEMENT'S RESPONSIBILITIES STATEMENT for the year ended 31 December 2020

The committee are responsible for preparing the financial statements in accordance with applicable law and regulations.

The Industrial and Provident Societies Acts 1893 to 2018 requires the committee to prepare financial statements for each financial year. Under that law the committee have elected to prepare the financial statements in accordance with accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (Generally Accepted Accounting Practice in Ireland).

In preparing these financial statements, the committee are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- State whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and reasons for any material departure from those standards; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the society will continue in business.

The committee is responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the Society and which enables it to ensure that the financial statements are prepared in accordance with Irish Generally Accepted Accounting Practice and with the Industrial and Provident Societies Acts 1893 to 2018. It is also 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 Committee of Management

Michael Doran  
Chairman

Patrick Kelly  
Vice Chairman

Date: 20/04/2021

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED**

### ***Opinion***

We have audited the financial statements of Irish Cattle Breeding Federation Society Limited ('the Society') for the year 31 December 2020, which comprise the Income and Expenditure account, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Financial Position, the Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the Society's affairs as at 31 December 2020 and of its surplus for the year then ended; and
- have been properly prepared in accordance with FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

### ***Basis for opinion***

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Conclusions relating to going concern***

In auditing the financial statements, we have concluded that the Committee of Management's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Society's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Committee of Management with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the Society's ability to continue as a going concern.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED (Continued)**

### ***Other information***

The Committee of Management are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### ***Opinions on other matters prescribed by the Industrial and Provident Societies Act 1893 to 2018***

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

### ***Respective responsibilities***

#### ***Responsibilities of Committee of Management for the financial statements***

As explained more fully in the Committee of Management's responsibility statement set out on page 14, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Committee of Management are responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Committee of Management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED (Continued)**

### ***Auditor's responsibilities for the audit of the financial statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: [http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description\\_of\\_auditors\\_responsibilities\\_for\\_audit.pdf](http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf).

This description forms part of our auditor's report.

### ***The purpose of our audit work and to whom we owe our responsibilities***

Our report is made solely to the Company's members, as a body, in accordance with section 13 of the Industrial and Provident Societies Act 1893 to 2018. Our audit work has been undertaken so that we might state to the Society's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Society and the Society's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Ian Venner  
For and on behalf of  
Ernst & Young Chartered Accountants and Statutory Audit Firm  
Cork

22 April 2021

IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED

INCOME AND EXPENDITURE ACCOUNT  
for the year ended 31 December 2020

	Note	2020 €	2019 €
Income		14,782,006	14,734,466
Operating expenses		(14,328,238)	(14,369,494)
Operating surplus		453,768	364,972
Interest payable and similar charges	3	-	(5,508)
Bank interest received		31	58
Surplus before taxation		453,799	359,522
Tax on surplus	4	(44,528)	(48,656)
Surplus after taxation		409,271	310,866

Approved by the Committee of Management on the 20/04/2021

Michael Doran  
Chairman

Patrick Kelly  
Vice Chairman

IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED

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STATEMENT OF COMPREHENSIVE INCOME  
for the year ended 31 December 2020

	<i>Note</i>	2020 €	2019 €
Income and expenditure surplus for the financial year		409,271	310,866
Total comprehensive income for the year		<u>409,271</u>	<u>310,866</u>

IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED

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STATEMENT OF CHANGES IN EQUITY  
for the year ended 31 December 2020

	<i>Share capital</i> €	<i>Income and expenditure account</i> €	<i>Total</i> €
At 1 January 2019	2,028,330	1,365,112	3,393,442
Surplus for year	-	310,866	310,866
	<hr/>	<hr/>	<hr/>
At 31 December 2019	2,028,330	1,675,978	3,704,308
Surplus for year	-	409,271	409,271
	<hr/>	<hr/>	<hr/>
At 31 December 2020	<u>2,028,330</u>	<u>2,085,249</u>	<u>4,113,579</u>

IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED

STATEMENT OF FINANCIAL POSITION  
at 31 December 2020

	Note	2020 €	2019 €
<b>FIXED ASSETS</b>			
Project development expenditure	5	4,728,766	4,745,922
Tangible fixed assets	6	917,223	62,212
		<u>5,645,989</u>	<u>4,808,134</u>
<b>CURRENT ASSETS</b>			
Stocks	7	607,454	380,576
Debtors	8	2,061,995	2,053,293
Cash at bank		1,463,939	1,826,529
		<u>4,133,388</u>	<u>4,260,398</u>
CREDITORS (amounts falling due within one year)	9	(2,528,245)	(2,216,331)
<b>NET CURRENT ASSETS</b>		<u>1,605,143</u>	<u>2,044,067</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>7,251,132</u>	<u>6,852,201</u>
<b>GOVERNMENT GRANTS</b>	10	(3,137,553)	(3,147,893)
<b>TOTAL ASSETS LESS LIABILITIES</b>		<u>4,113,579</u>	<u>3,704,308</u>
<b>FINANCED BY</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share capital	12	2,028,330	2,028,330
Income and expenditure account		2,085,249	1,675,978
Shareholders' funds		<u>4,113,579</u>	<u>3,704,308</u>

Approved by the Committee of Management on the 20/04/2021

Michael Doran  
Chairman

Patrick Kelly  
Vice Chairman

**IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED**

**STATEMENT OF CASH FLOWS**  
for the year ended 31 December 2020

	Note	2020 €	2019 €
<b>NET CASH INFLOW FROM OPERATING ACTIVITIES</b>	13	1,003,830	652,353
<b>INVESTING ACTIVITIES</b>			
Project development expenditure		(1,601,596)	(1,695,072)
Payments for tangible fixed assets		(882,249)	(58,867)
Project development grants received		1,116,686	1,162,943
<b>Net cash flow from investing activities</b>		<b>(1,367,159)</b>	<b>(590,996)</b>
<b>FINANCING ACTIVITIES</b>			
Finance lease repaid		–	(220,802)
Interest paid		–	(5,508)
Interest received		31	58
Amounts repaid by related company		708	6,534
<b>Net cash flow from financing activities</b>		<b>739</b>	<b>(219,718)</b>
Decrease in cash		(362,590)	(158,361)
Cash and cash equivalents at 1 January		1,826,529	1,984,890
<b>Cash and cash equivalents at 31 December</b>	13	<b>1,463,939</b>	<b>1,826,529</b>

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020

1. ACCOUNTING POLICIES

1.1 *Statement of compliance*

Irish Cattle Breeding Federation Society Limited is a society registered in Ireland under the Industrial and Provident Societies Act 1893 to 2018. The registered office is Shinagh, Bandon, Co. Cork.

The society's financial statements have been prepared in accordance with applicable accounting standards issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants in Ireland, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (Generally Accepted Accounting Practice in Ireland).

1.2 *Basis of preparation*

As of the date of approval of the financial statements, Ireland has been impacted by the COVID-19 outbreak. We have considered the potential impact that the COVID-19 outbreak might have on the financial statements and the financial condition of the Society as of 31 December 2020 and on future operations. The committee of management of the society has assessed potential impacts across revenue and working capital. Based on these assessments, and considering cash held and bank facilities on hand, we are satisfied that the society will continue as a going concern.

1.3 *Judgements and key sources of estimation uncertainty*

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the Statement of Financial Position date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following are the society's key sources of estimation uncertainty:

(a) *Project development expenditure*

Development expenditure is capitalised in accordance with the accounting policy given below. Initial capitalisation of costs is based on management's judgement that technical and economic feasibility is confirmed, usually when a product development project has reached a defined milestone according to an established project management model. In determining the amounts to be capitalised management makes assumptions regarding the expected future cash generation of the assets, discount rates to be applied and the expected period of benefits.

(b) *Impairment of non-financial assets*

Where there are indicators of impairment of individual assets, the society performs impairment tests based on fair value less costs to sell or a value in use calculation.



## IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

#### 1. ACCOUNTING POLICIES (Continued)

##### 1.4 Significant accounting policies

###### (a) Accounting convention

The financial statements are prepared under the historical cost convention. The financial statements are expressed in Euro (€).

###### (b) Fixed assets and depreciation

Fixed assets are stated at cost less accumulated depreciation. No depreciation charge has been recognised for fixtures & fittings and leasehold improvement assets not yet in use as there is no consumption of the economic benefits of these assets in the period.

Depreciation is calculated on a straight line basis by reference to the expected useful lives as follows:

Office equipment	3 years
Fixtures & Fittings	5 years
Tully machinery	5 years
Weighing equipment	5 years
BDGP technology	5 years
Leasehold Improvements	7 years

###### (c) Project development expenditure

Project development expenditure on clearly defined projects whose commercial outcome can be assessed with reasonable certainty is capitalised. When the development of these commercial projects reaches completion, the society provides services to its members in return for fee income. This expenditure is amortised over the useful lives of the projects. Costs relating to fully amortised projects and the related fully amortised government grants are written off after a period of nine years from when the expenditure was incurred.

###### (d) Government grants

###### *Grants for operating expenditure:*

Grants received from the Department of Agriculture, Food and the Marine to fund the operations of the society are credited to the Income and Expenditure Account so as to match them with the expenditure to which they relate.

###### *Grants for project development expenditure:*

Grants received towards the cost of project development expenditure are deferred and amortised over the same period in which the related project development expenditure is amortised.

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

1. ACCOUNTING POLICIES (Continued)

1.4 Significant accounting policies (continued)

(e) Taxation

Corporation tax is provided on taxable profits at the current rates.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at the balance sheet date that result in an obligation to pay more tax or a right to pay less tax in the future.

Timing differences are temporary differences between profit as computed for taxation purposes and profit 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.

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

(f) Income recognition

Income is recognised on delivery of the service. Where monies are received in advance of the related goods or services being provided, the revenue is deferred until such time as the related performance criteria have been met to recognise the sale.

(g) Operating leases

Operating lease costs are charged to the profit and loss account as incurred, normally on a straight line basis over the lease term.

(h) Pensions

The Society operates a defined contribution pension scheme for certain of its employees and its annual contributions are charged to the incomes statement in the year to which they relate.

(i) Leasing commitments

At the commencement of the lease term, a lessee shall recognise its rights of use and obligations under finance leases as assets and liabilities in its statement of financial position at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, determined at the inception of the lease.

IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

1. ACCOUNTING POLICIES (Continued)

1.4 Significant accounting policies (continued)

(j) Stocks

Stocks have been consistently valued at the lower of cost and net realisable value. Cost is based on actual invoice cost. Net realisable value comprises selling prices less appropriate selling and distribution costs.

(k) Debtors

Known bad debts are written off and specific provision is made for any amounts the recovery of which is considered doubtful.

(l) Cash and cash equivalents

Cash and cash equivalents in the Statement of Financial Position comprise cash at banks and in hand and short term deposits with an original maturity date of three months or less. For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

(m) Short-term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

2. STAFF COSTS

2020

2019

€

€

The staff costs, including costs capitalised in project development, are comprised of

Wages and salaries	3,840,660	3,604,038
Social welfare costs	422,171	389,060
Pension costs	344,114	300,925
	<u>4,606,945</u>	<u>4,294,023</u>

IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

2. STAFF COSTS (Continued)

The average number of persons employed by the society in the financial year was 80 (2019: 76) and is analysed into the following categories:

	2020 No.	2019 No.
Management	8	8
Administration	6	6
Technical	25	25
Fixed term subcontractors	41	37
	<u>80</u>	<u>76</u>

3. INTEREST PAYABLE AND SIMILAR CHARGES

	2020 €	2019 €
Finance lease interest	–	5,508
	<u>–</u>	<u>5,508</u>

4. TAXATION ON SURPLUS

(a) Analysis of charge in the year

	2020 €	2019 €
<i>Current tax</i>		
Corporation tax at 12½%	59,259	39,837
(Over)/under provision relating to prior year	(14,731)	8,819
Total current tax	<u>44,528</u>	<u>48,656</u>

(b) Factors affecting tax charge for the year

Profits chargeable to corporation tax (12½%)	453,799	359,522
Profit on ordinary activities multiplied by the standard rate of tax 12½%	56,725	44,940
<i>Effects of:</i>		
Other adjustments	2,526	(5,118)
Amounts charged at higher rate of tax	8	15
(Over)/under provision relating to prior year	(14,731)	8,819
Total tax charge for the year	<u>44,528</u>	<u>48,656</u>

IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
31 December 2020 (Continued)

5. PROJECT DEVELOPMENT EXPENDITURE	€
<i>Cost:</i>	
At 1 January 2020	14,881,492
Additions	1,601,596
Elimination of fully amortised costs (b)	(1,724,106)
	<hr/>
At 31 December 2020	14,758,982
	<hr/>
<i>Amortisation:</i>	
At 1 January 2020	10,135,570
Charge for the year	1,618,752
Elimination of fully amortised costs (b)	(1,724,106)
	<hr/>
At 31 December 2020	10,030,216
	<hr/>
<i>Net book value:</i>	
At 31 December 2020	4,728,766
	<hr/> <hr/>
At 31 December 2019	4,745,922
	<hr/> <hr/>

(a) Project development expenditure consists of computer hardware, software consultancy, database and other project costs.

(b) Fully amortised projects are written off after a period of nine years from when the expenditure was incurred. As the project expenditure is fully amortised the write off has no impact on profits or on the carrying value of projects in the balance sheet.

IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
31 December 2020 (Continued)

6. TANGIBLE FIXED ASSETS

	Office equipment €	Fixtures & fittings €	Tully Machinery €	Leasehold improvements €	Total €
<i>Cost:</i>					
At 1 January 2020	55,158	-	61,275	31,281	147,714
Additions	21,651	293,938	-	566,660	882,249
At 31 December 2020	76,809	293,938	61,275	597,941	1,029,963
<i>Depreciation:</i>					
At 1 January 2020	28,795	-	56,707	-	85,502
Charge for the year	25,600	-	1,638	-	27,238
At 31 December 2020	54,395	-	58,345	-	112,740
<i>Net book value:</i>					
At 31 December 2020	22,414	293,938	2,930	597,941	917,223
At 31 December 2019	26,363	-	4,568	31,281	62,212

No depreciation charge has been recognised for fixtures & fittings and leasehold improvement assets as these assets are not in use as at 31 December 2020.

IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
31 December 2020 (Continued)

7.	STOCKS	2020 €	2019 €
	Livestock	326,595	188,224
	Tully consumables	19,680	29,220
	Other consumables	261,179	163,132
		<u>607,454</u>	<u>380,576</u>

Other consumables are comprised of testing kits which are consumed in the provision of the Beef Data and Genomics Programme (BDGP).

The replacement cost of stocks is not considered to be materially different from the balance sheet value.

8.	DEBTORS	2020 €	2019 €
	Trade debtors	1,104,721	1,336,655
	Prepayments and other debtors	658,418	541,682
	Amounts due from related party (note 15)	174,248	174,956
	VAT	124,608	-
		<u>2,061,995</u>	<u>2,053,293</u>

9.	CREDITORS (amounts falling due within one year)	2020 €	2019 €
	Trade creditors	358,720	427,636
	Accruals and deferred income	2,048,129	1,549,116
	PAYE/PRSI	117,340	105,244
	Corporation tax	4,056	21,873
	VAT	-	112,462
		<u>2,528,245</u>	<u>2,216,331</u>

IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
31 December 2020 (Continued)

10. GOVERNMENT GRANTS

Government grants comprise grants received from the Department of Agriculture, Food and the Marine (DAFM).

	€
<i>Received</i>	
At 1 January 2020	9,416,896
Received during year	1,120,000
Elimination of fully amortised grants (a)	(1,029,919)
	<hr/>
At 31 December 2020	9,506,977
	<hr/>
<i>Amortisation</i>	
At 1 January 2020	6,272,318
Credited to the income and expenditure account in year	1,127,025
Elimination of fully amortised grants (a)	(1,029,919)
	<hr/>
At 31 December 2020	6,369,424
	<hr/>
<i>Net amount</i>	
At 31 December 2020	3,137,553
	<hr/> <hr/>
At 31 December 2019	3,147,893
	<hr/> <hr/>

- (a) Consistent with the policy for related project expenditure, as outlined in Note 5, fully amortised grants are written off after a period of nine years from when the grant was received. As the grants are fully amortised the write off has no impact on profits or on the balance sheet.



IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
31 December 2020 (Continued)

11.	FINANCIAL INSTRUMENTS	2020	2019
		€	€
	<i>Financial assets that are debt instrument measured at amortised cost:</i>		
	- Trade debtors	1,104,721	1,336,655
	- Amounts due from related party	174,248	174,956
	<i>Financial liabilities measured at amortised cost:</i>		
	- Trade creditors	<u>358,720</u>	<u>427,636</u>
12.	SHARE CAPITAL	2020	2019
		€	€
	<i>Authorised:</i>		
	28,768 "A" ordinary shares of €12.697381 each	365,278	365,278
	28,768 "B" ordinary shares of €12.697381 each	365,278	365,278
	28,768 "C" ordinary shares of €12.697381 each	365,278	365,278
	73,696 "D" ordinary shares of €12.697381 each	935,746	935,746
		<u>2,031,580</u>	<u>2,031,580</u>
	<i>Issued and fully paid:</i>		
	28,768 "A" ordinary shares of €12.697381 each	365,278	365,278
	28,768 "B" ordinary shares of €12.697381 each	365,278	365,278
	28,512 "C" ordinary shares of €12.697381 each	362,028	361,228
	73,696 "D" ordinary shares of €12.697381 each	935,746	935,746
		<u>2,028,330</u>	<u>2,027,530</u>

All shares rank pari passu in all respects.

IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
31 December 2020 (Continued)

13. NOTES TO THE STATEMENT OF CASH FLOWS

(a) <i>Reconciliation of surplus to net cash inflow from operating activities</i>	2020 €	2019 €
Surplus before tax for the year	453,799	359,522
<i>Adjustments to reconcile surplus for the year to net cash flow from operating activities:</i>		
Amortisation of project development expenditure	1,618,752	1,504,093
Project development grants amortised	(1,127,026)	(1,081,794)
Depreciation of tangible fixed assets	27,238	336,873
Interest payable	–	5,508
Interest received	(31)	(58)
<i>Movements in working capital:</i>		
Increase in debtors	(9,410)	(465,680)
Increase in stocks	(226,878)	(36,354)
Increase in creditors	329,731	68,652
<i>Taxation:</i>		
Corporation tax paid	(62,345)	(38,409)
	<u>550,031</u>	<u>292,831</u>
Net cash inflow from operating activities	<u>1,003,830</u>	<u>652,353</u>
(b) <i>Cash and cash equivalents</i>	2020 €	2019 €
Cash at bank and in hand	<u>1,463,939</u>	<u>1,826,529</u>

14. PENSIONS AND OTHER POST-RETIREMENT BENEFITS

The society operates a defined contribution pension scheme. The cost charged to the income and expenditure account in the year for the scheme was €344,114 (2019: €300,925).

## IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS 31 December 2020 (Continued)

#### 15. RELATED PARTY TRANSACTIONS

The operations of Sheep Database Limited are administered by Irish Cattle Breeding Federation Society Limited. Costs incurred by the society, on behalf of the company, totalling €130,000 (2019: €140,000) were recharged during the year. The amount due by the company to the society at the year end is included in debtors.

#### *Key management personnel*

All committee of management and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the society are considered to be key management personnel. Remuneration paid includes pension contributions to provide retirement benefits.

Total remuneration in respect of these individuals in 2020 (one member of the committee of management (2019: 1) and eight senior employees (2019: 8)) is made up of the following components:

- Basic salary cost of €811,853 (2019: €799,993) paid to individuals and which is set at market rates for equivalent roles
- Employer social insurance costs (ancillary to salary costs) which amounted to €89,710 (2019: €87,599)
- Pension benefits paid by the employer to provide retirement benefits amounted to €116,857 (2019: €108,251) for the year.

Total remuneration in respect of 13 non-executive board members paid for their attendance at board meetings during 2020 amounted to €14,700 (2019: €14,122).

#### 16. OPERATING LEASE COMMITMENTS

At the statement of financial position date the society had future minimum rentals payables under non-cancellable operating leases as follows:

	2020 €	2019 €
Due within one year	469,680	343,091
Due between one and five years	1,509,716	1,811,546
Due after five years	–	167,850
	<u>1,979,396</u>	<u>2,371,287</u>

## IRISH CATTLE BREEDING FEDERATION SOCIETY LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS

31 December 2020 (Continued)

#### 17. CAPITAL COMMITMENTS

Future capital expenditure approved by the directors but not provided for in these financial statements is as follows:

	2020	2019
	€	€
Contracted for	—	466,417

#### 18. EVENTS AFTER THE REPORTING PERIOD

As of the date of approval of the financial statements, Ireland is still being impacted by the COVID-19 outbreak. Whilst the extent of this impact will continue to be assessed due to a number of uncertainties outside of the society's control, we believe that it will not have an adverse impact on the society's revenues and profits for 2021. Based on assumptions available to them at the date of signing the financial statements, the committee of management are satisfied that any impact can be managed within the resources available to the society and will not have a material adverse impact on the society's ability to continue as a going concern.

There are no other events since the year end and the date of signing of the financial statements, affecting the company, which require adjustment to or disclosure in the financial statements.

#### 19. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved and authorised for issue by the committee of management on the 20/04/2021

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