

# Animal Health Ireland



Annual Report  
2011



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## OUR STAKEHOLDERS





## Chairman's address

Having put emphasis on structure and planning over the past two years, Animal Health Ireland has now moved firmly into the delivery phase. We have identified four programmes (BVD, *CellCheck*, Johne's disease and IBR), which we will absorb most of our resources over the coming years, together with a number of other programmes (parasite control, CalfCare and biosecurity), which are important but which will impact less on our time and resources. The chairs and members of both the technical and implementation groups deserve the gratitude of the agricultural industry for their contribution to this work.

BVD is the most visible of our programmes. We are moving very successfully through a voluntary phase of BVD control and are busy planning for a national eradication programme, starting on January 1st 2013. It is good to see so many sectors of the industry, the scientific and research community, service providers and the state working in harmony for BVD eradication. We are also in dialogue with Northern Ireland and expect that these talks will result in benefits for both jurisdictions in relation to BVD eradication and Johne's disease control.

I am delighted with the publication of the *CellCheck* Farm Guidelines on Mastitis Control. However, very much more activity on this programme has been taking place behind the scenes where we have been building the capacity to deliver an extensive national programme. *CellCheck* has the potential to deliver very significant savings to both the producer and the processor and inter-organisational co-operation is, once again, a key component of the programme.

A large number of stakeholders, service providers and individuals support Animal Health Ireland in many ways, ranging from financial support to service provision and technical input. While we interact with them regularly, we would welcome the thoughts and opinions of these groups as to how we can make this bond even stronger.

The Board, CEO and staff at AHI continue to give me great support and encouragement, which I am delighted to have the opportunity to publicly acknowledge.



**Mike Magan, Chairman, AHI**

## Chief Executive Officer's report

Over the course of 2011, Animal Health Ireland has continued the process of consolidating its position as the national organisation with responsibility for the development of eradication, control and awareness-raising programmes for the major non-regulated diseases of livestock. This has been accompanied by an increasing recognition of the role that continued improvements in Ireland's animal health status, together with those in the fields of nutrition and breeding, can make in underpinning the sustainability, competitiveness and profitability of the industry. Acknowledgement of the important role of AHI is reflected in documents such as Food Harvest 2020, the medium-term strategy for the development of the agri-food industry, and in the recent research calls issued by the Department of Agriculture, Food and the Marine.

Two of these programmes – the BVD eradication programme and *CellCheck* – reached the end of their respective planning phases in 2011 and moved into an implementation phase in 2012. Elsewhere in this Report, the Programme Managers – David Graham and Finola McCoy – outline the progress achieved in relation to these programmes in the period under review. However, it is worth highlighting here some of the notable achievements of each programme at the time of writing. In relation to the BVD eradication programme, some 9,500 suckler and dairy farmers have purchased over 560,000 button tags, and some 375,000 results have already been processed, of which about 0.6% have tested positive. Good progress continues to be made by the BVD Implementation Group in preparation for the compulsory phase of the programme from January 2013. In the case of the *CellCheck* programme, the successful launch in February of the Farm Guidelines for Mastitis Control, and their subsequent strong uptake by AHI stakeholders, was followed by Stage 1 of the programme of capacity-building for service providers, some 400 of whom have attended these events to date. A solid foundation has now been established for the next stages of the programme, which will involve further, more sophisticated engagement with service providers and the beginning of direct interaction with dairy farmers.

In the area of corporate governance and development, a significant development in 2011 was the establishment of a Planning Group, comprising AHI Stakeholders and an external consultant, with the objective of developing a strategy to guide AHI over the next three years. The outcome of that process, the AHI Strategic Plan (2012-2014), was adopted by the Board of AHI in February of this year and was subsequently published and distributed to stakeholders and key decision-makers in the sector. We now have a clear blueprint to guide our work over the coming years and have developed and published detailed Business Plans for each of the four priority programmes (BVD, *CellCheck*, Johne's disease and IBR) identified in the Strategic Plan.

Conscious of the expectations on the part of all our funders for delivery in relation to the programmes with which we have been entrusted, I look forward to reporting continued good progress over the coming years in relation to all aspects of the work programme set out in the Strategic Plan.



**Joe O'Flaherty, Chief Executive, AHI**



## The Company

Animal Health Ireland (AHI) is an industry-led, not-for-profit partnership between livestock producers, processors, animal health advisers and government. Its remit includes diseases and conditions of livestock which are endemic in Ireland, but which are not currently subject to regulation and coordinated programmes of control. AHI is a Company Limited by Guarantee and not having a Share Capital, incorporated as such under the Companies Acts (1963-2006) on 11th May 2009. The Memorandum and Articles of Association of the Company are available to view on the AHI website.

As a not-for-profit Company, AHI operates on the principle that the financial contribution from Stakeholders in any given year should be set, insofar as is possible, and having regard to the need to maintain adequate levels of working capital, so as to match forecast expenditure. The largest single financial contribution to the Company is made by the Department of Agriculture, Food and the Marine, which, in 2009, committed to provide AHI a maximum amount of €500,000 per annum for a period of 5 years, subject to the receipt of a matching contribution by non-State sources, and to the provisions made in the Annual Estimates of Public Expenditure. In establishing the level of contribution by individual private sector Stakeholders, account is taken of the size of the organisation and of the nature of the business in which it is engaged.

## Stakeholders and Members

The Stakeholders are the various organisations that set the overall strategic direction of the organisation and that provide the necessary financial and other resources to enable Animal Health Ireland to operate effectively. In 2011, a process of formalising membership of Animal Health Ireland was begun and all Stakeholder organisations were invited to submit applications for membership of the Company. Members have entitlement to vote at General Meetings, and where voting by poll takes place, each Member is entitled to one 'Contribution Vote' in respect of every €3,000 of Annual Financial Contribution to the Company (see also Section 3).

As of 31st December 2011, the following organisations were Members and/or Stakeholders in Animal Health Ireland (\*indicates membership). The Register of Members is available to view from the Member Area of the AHI website.



## Farmers' organisations

Irish Cattle and Sheep Farmers' Association (ICSA)\*  
Irish Charolais Cattle Society  
Irish Co-operative Organisation Society (ICOS)  
Irish Creamery Milk Suppliers' Association (ICMSA)\*  
Irish Farmers' Association (IFA)\*  
Irish Holstein Friesian Association\*  
Macra na Feirme\*  
Pedigree Cattle Breeders' Council of Ireland\*

## Dairy and Beef Processors

AIBP\*  
Arrabawn Co-op\*  
Carbery Group\*  
Connacht Gold\*  
Dairygold Co-op\*  
Dawn Meats\*  
Glanbia\*  
Kepak Group\*  
Kerry Agribusiness\*  
Lakeland Dairies\*  
Tipperary Co-op\*  
Town of Monaghan Co-op  
Wexford Milk Producers\*

## Government and State Agencies

Bord Bia\*  
Department of Agriculture, Food and the Marine\*  
Teagasc\*

## Professional/Advisory/Support services

Cork Marts\*  
DAFM – Veterinary Lab Services\*  
ICBF\*  
Irish Dairy Board  
UCD  
Veterinary Ireland\*

## Board

The Board of Animal Health Ireland comprises seven non-executive Directors, nominated by the Minister for Agriculture at the time of the establishment of the organisation. The Directors, collectively, have expertise and experience in the following fields:

- beef and dairy livestock production
- industry processing and marketing
- animal health services and their delivery
- major export markets for livestock and their products; and
- agricultural policy development.

During the year, the Directors of Animal Health Ireland were:

Director	Date of appointment
<b>Mr. Mike Magan, Chairman (Dairy Farmer)</b>	<b>May 2009</b>
<b>Mr. Gerard Brickley (Bord Bia)</b>	<b>May 2009</b>
<b>Mr. Joe Collins (Irish Dairy Board)</b>	<b>May 2009</b>
<b>Professor Michael Doherty (UCD)</b>	<b>May 2009</b>
<b>Ms. Thia Hennessy (Teagasc)*</b>	<b>May 2009</b>
<b>Mr. John O’Sullivan (Dairy Farmer)</b>	<b>May 2009</b>
<b>Mr. Robin Talbot (Beef Farmer)</b>	<b>May 2009</b>

\* Ms. Hennessy retired from the Board of AHI on 3<sup>rd</sup> July 2011.

### Directors’ remuneration

Directors of AHI who are public servants are precluded from drawing an Honorarium from the Company under the ‘one person one salary’ principle<sup>1</sup>; three of the Directors serving in 2011 were precluded from receiving fees from Animal Health Ireland on this basis. The payment of fees to those Directors eligible to receive them is subject to compliance with the Code of Practice for the Governance of State Bodies<sup>2</sup>, and fees are subject to taxation.

## Annual Report 2011 – Implementation Team

At 31st December 2011, the permanent staff of Animal Health Ireland comprised the following:

Name	Title	Date of employment
<b>Mr. Joe O’Flaherty</b>	<b>Chief Executive Officer</b>	<b>24/09/09</b>
<b>Ms. Nuala Morgan</b>	<b>Company Secretary</b>	<b>08/03/10</b>
<b>Dr. David Graham</b>	<b>Programme Manager (Biosecure Diseases)</b>	<b>01/10/10</b>
<b>Mr. Karol Harvey</b>	<b>Planning &amp; Operations Manager</b>	<b>29/11/10</b>
<b>Ms. Fionnuala Malone</b>	<b>Technical Working Group Liaison</b>	<b>16/03/11</b>

<sup>1</sup> Established by the Review Body on Higher Remuneration in the Public Service (1972).

<sup>2</sup> As approved in October 2001 (Appendix D).

### **Finola McCoy (CellCheck Programme Manager)**

In addition to the staff directly employed by the Company, AHI has entered into a Collaboration Agreement with Teagasc, under which the latter has undertaken to assign a member of its staff, Ms. Finola McCoy, in the capacity of Programme Manager for the national mastitis control programme, *CellCheck*.

## Technical Working Groups

The Technical Working Groups (TWGs) comprise experts and experienced practitioners from a variety of fields who are tasked with drawing up factual resources, the development of decision-making tools, and the identification of areas for further Research and Development. Furthermore, in areas in which AHI is developing disease control and eradication programmes of national scope, the TWGs also provide the technical support necessary to underpin such programmes. By giving of their time free of charge, these experts enable AHI access the technical resources required to develop its various programmes at a fraction of the true commercial cost of such expertise. Animal Health Ireland gratefully acknowledges the generosity of these individuals and that of their parent organisations and employers.

### **Chairs of the Technical Working Groups**

As of 31<sup>st</sup> December 2011, seven Technical Working Groups, comprising a total of 58 members and chaired by the individuals listed below, were operational and had met on at least one occasion over the course of 2011.



**Dr. Michael Doherty** is Professor of Veterinary Clinical Studies in the School of Agriculture, Food Science and Veterinary Medicine, University College Dublin.

A graduate of the University of Edinburgh, his background is in cattle practice in Donegal and at the Farm Animal Unit of the University of Glasgow. He has managed many clinical research programmes, including studies of herd health in conventional and organic dairy herds and published extensively in clinical aspects of farm animal health.

A past-President and board member of the European College of Bovine Health Management, he is actively involved along with colleagues in the UCD Herd Health Group in the promotion, development and implementation of herd health in Ireland.



**Dr. Ingrid Lorenz (UCD)** is originally from a dairy farm in Southern Germany and joined the UCD Herd Health Group in April 2007 as Lecturer in Bovine Medicine.

She graduated from the Veterinary School of the University of Munich in 1992 after which she prepared her doctoral thesis in the area of calf diseases at the Clinic for Ruminants of the University. She subsequently took up a lecturer position at the Clinic and was awarded a PhD in 2007. Her qualifications include Dr. med. vet., Dr. med. vet. habil., Dip. ECBHM. Over the course of her career to date Ingrid has acquired vast experience in internal medicine and surgery as well as in the investigation of calf-related herd health problems.



**Dr. John Mee (Teagasc)** is originally from a farm in Co. Roscommon and now lives in Fermoy, Co. Cork where he works with Teagasc in the Moorepark Research Centre.

He graduated from UCD with an MVB and a PhD in Veterinary Medicine, and is a Veterinary Council of Ireland accredited Veterinary Practitioner and a European College Specialist in bovine health. He has over 25 years' experience in leading dairy and beef, cow and calf, health, welfare and reproduction research programmes.

John has worked in research institutes, universities, the Department of Agriculture and in private veterinary practice in Ireland, New Zealand and in Australia. His current research interests include dairy cow and calf herd health and fertility and beef herd health. His research work has been published in over 75 scientific papers in peer-reviewed journals and textbooks. He also reviews for over 20 leading international bioscience journals and serves on the editorial boards of five scientific journals, including the Irish Veterinary Journal BioMed Central (Deputy Editor).

In addition to chairing the biosecurity TWG, John is also a member of four other AHI Technical Working Groups.



**Professor Simon More** is originally from Australia and is now based at University College Dublin.

He qualified in 1984 from the University of Sydney. He is a Veterinarian with specialist skills in National and International animal disease control with the following qualifications: BVCs (Hons 1), MVB, PhD, MACVSc, FACVSc, DipPM, DiplECBHM, DiplECVPH. Simon has worked/consulted in a number of countries (Australasia, southeast Asia, Europe, South America) with both government and industry on national animal disease control issues.

In Ireland, he is director of the Centre for Veterinary Epidemiology and Risk Analysis at University College Dublin, and with his fellow colleagues provides information to support national decision-making on animal disease control, by both government and industry

## Technical Working Groups

<b>Biosecurity TWG</b>		<b>4 meetings held between 1/2/2011 and 31/12/2011</b>
<b>Member Name</b>	<b>Parent Organisation</b>	
Prof John Mee (Chair)	Teagasc	
Stephen Conroy	Manager, Tully Bull Performance Centre, Kildare	
Bosco Cowley	Intervet, Schering Plough	
Bernard Eivers	National Cattle Breeding Centre	
Richard Fallon	Retired	
Tim Geraghty	UCD	
David Graham	AHI	
Pat Kirwan	Veterinary Practitioner	
Fionnuala Malone	Technical Working Group Rapporteur AHI	
John Moriarty	Central Vet Research Laboratory	
Luke O'Grady	UCD	
Ronan O'Neill	DAFM, Veterinary Laboratory Services	
Michael Sexton	Veterinary Practitioner	

<b>BVD TWG</b>		<b>2 meetings held between 1/2/2011 and 31/12/2011</b>
<b>Member Name</b>	<b>Parent Organisation</b>	
Michael Doherty (Chair)	UCD	
Damien Barrett	DAFM, Veterinary Laboratory Services	
Bosco Cowley	Intervet, Schering Plough	
Bernard Eivers	National Cattle Breeding Centre	
David Graham	AHI	
Ronan O'Neill	DAFM, Veterinary Laboratory Services	
Fionnuala Malone	Technical Working Group Rapporteur AHI	
John Mee	Teagasc	
Luke O'Grady	UCD	
Riona Sayers	Teagasc	
Michael Sexton	Veterinary Practitioner	

<b>IBR TWG</b>		<b>1 meeting held between 1/2/2011 and 31/12/2011</b>
<b>Member Name</b>	<b>Parent Organisation</b>	
Michael Doherty (Chair)	UCD	
Stephen Conroy	Manager, Tully Bull Performance Centre, Kildare	
Doreen Corridan	Munster AI	
Bosco Cowley	Intervet, Schering Plough	
Bernard Eivers	National Cattle Breeding Centre	
Tim Geraghty	UCD	
David Graham	AHI	

<b>IBR TWG (continued)</b>	
<b>Member Name</b>	<b>Parent Organisation</b>
Maria Guelbenzu	AFBI NI
Donal Lynch	Veterinary Practitioner
Fionnuala Malone	Technical Working Group Rapporteur AHI
Shane McElroy	Veterinary Practitioner
John Melville	DAFM
Mary Newman	Pfizer Animal Health
Ronan O'Neill	DAFM, Veterinary Laboratory Services
Riona Sayers	Teagasc

<b>Parasite Control</b>	
<b>1 meeting held between 1/2/2011 and 31/12/2011</b>	
<b>Member Name</b>	<b>Parent Organisation</b>
Michael Doherty (Chair)	UCD
Michael Casey	DAFM, Veterinary Laboratory Services
Bosco Cowley	Intervet, Schering Plough
Martin Danaher	Teagasc
Theo De Waal	UCD
Andrew Forbes	Merial
Barbara Good	Teagasc
Fintan Graham	Veterinary Practitioner
Ian Hogan	Veterinary Laboratory Services
Fionnuala Malone	Technical Working Group Rapporteur AHI
Grace Mulcahy	UCD
Tom Murphy	CVRL DAFM
Donal Toolan	DAFM

<b>CalfCare TWG</b>	
<b>2 meetings held between 1/2/2011 and 31/12/2011</b>	
<b>Member Name</b>	<b>Parent Organisation</b>
Ingrid Lorenz (Chair)	UCD
Charles Chavasse	Pfizer Animal Health
Bernadette Earley	Teagasc
John Fagan	DAFM, Veterinary Laboratory Services
Richard Fallon	Retired
Liam Gannon	Volac Ireland
John Gilmore	Veterinary Practitioner
Ian Hogan	DAFM, Veterinary Laboratory Services
Emer Kennedy	Teagasc
Fionnuala Malone	Technical Working Group Rapporteur AHI
John Mee	Teagasc

<b>Johne's disease TWG</b>		<b>5 meetings held between 1/2/2011 and 31/12/2011</b>
<b>Member Name</b>	<b>Parent Organisation</b>	
Simon More (Chair)	UCD	
Damien Barrett	DAFM, Veterinary Laboratory Services	
Jim Buckley	Cork County Council	
Bill Cashman	Veterinary Practitioner	
Richard Fallon	Retired	
Margaret Good	DAFM	
David Graham	AHI	
Kevin Kenny	CVRL, DAFM	
Fionnuala Malone	Technical Working Group Rapporteur AHI	
John Mee	Teagasc	
Ciaran Mellett	Veterinary Practitioner	
Peter Mullaney	DAFM	
Samuel Strain	AFBI NI	
Paul Whyte	UCD	

<b>CellCheck TWG</b>		<b>2 meetings held between 1/2/2011 and 31/12/2011</b>
<b>Member Name</b>	<b>Parent Organisation</b>	
Simon More (Chair)	UCD	
Willie Buckley	Riverview Veterinary Clinic	
Don Crowley	Teagasc	
Brendan Dillon	Glanbia	
Kevin Downing	ICBF HerdPlus	
Edmond Harty	DairyMaster	
Alan Johnson	DAFM Veterinary Laboratory Services	
Patrick Kelly	Munster AI	
Fionnuala Malone	Technical Working Group Rapporteur AHI	
Finola McCoy	AHI / Teagasc	
Luke O Grady	UCD	
Frank O Sullivan	Veterinary Practitioner	
George Ramsbottom	Teagasc	
Tom Ryan	Teagasc	

## Implementation Groups

Implementation Groups for the BVD eradication programme and for *CellCheck*, the two programmes of national scope which have reached implementation phase, were established over the course of 2011.

### BVD Implementation Group

BVD Implementation Group	15 meetings held between 1/2/2011 and 31/12/2011
Member Name	Parent Organisation
Joe O'Flaherty (Chair)	AHI
Michael Biggins	IFA
Martin Blake	DAFM
Tomás Bourke	IFA
Pat Brangan	DAFM
Louis Byrne	PCBCI
Micheal Casey	DAFM
Sean Coughlan	ICBF
Michael Doherty	UCD, Chair of BVD TWG
John Donworth	Teagasc
Ray Doyle	ICOS
Conor Geraghty	Veterinary Practitioner
Peadar Glennon	PCBI
David Graham	Programme Manager, AHI
Karol Harvey	AHI
Pat Kirwan	Veterinary Ireland
Donal Lynch	Veterinary Practitioner
Pat McCormack	ICMSA
John McEnroe	PCBI
John O'Roarke	Veterinary Ireland
Tom Phelan	IFA
Donal Sammin	DAFM
Richard Whelan	IFA



**CellCheck Industry Consultation Group 6 meetings held between 1/2/2011 and 31/12/2011**

Member Name	Parent Organisation
Mike Magan, Chair	AHI
Paddy Barrett	Carbery
Martin Blake	DAFM
John Boylan	Irish Farmers' Journal
Anne Browne	Glanbia
Kieran Collins	Kerry Agribusiness
Dermot Coyle	Lakeland Dairies
Michael Coyle	Coyle Veterinary
Martin Crowe	ACA
Michael Daly	Wexford Milk Producers
Pat Dillon	Teagasc
John Enright	ICMSA
Paul Fortune	Tipperary Co-op
Paul Hoare	Irish Dairy Board
Karol Harvey	AHI
George Kearns	IMQCS
Jack Kennedy	Irish Farmers' Journal
Pat Kirwan	Veterinary Ireland
Catherine Lascurettes	IFA
Pat McCormack	ICMSA
Finola McCoy	Programme Manager
Simon More	UCD, Chair of CellCheck TWG
Bernadette O'Brien	Teagasc
Tom O'Dwyer	Teagasc
Liam O'Flaherty	Dairygold
Jerry Ryan	Arrabawn Co-op
Sinead Treanor	Carbery
Anthony Walsh	Connacht Gold
Brian Wickham	ICBF



The Second Annual General Meeting of the Company was held in Portlaoise on 30th June 2011. In addition to the ordinary business of the AGM, Members received briefings from the Chairman on the ongoing review of governance; from the CEO on delivery against the 2011 Business Plan; from Dr. David Graham on progress in relation to the biosecure diseases (BVD, Johne’s disease and IBR); and from Ms. Finola McCoy in relation to the *CellCheck* programme.

The first Extraordinary General Meeting (EGM) of the Company was also held on 30<sup>th</sup> June 2011 to consider a number of Special Resolutions, presented by the Board of Directors. These Special Resolutions proposed certain amendments to the Memorandum and Articles of Association, respectively, of the Company, designed to give effect *inter alia* to the recommendations made by an *ad hoc* group, convened to review existing governance arrangements. The objective of the review was to enhance the ability of the organisation to achieve its business goals on behalf of stakeholders and to ensure compliance with its legal and ethical obligations. The principal proposals contained in the Special Resolution on the Articles of Association related to: alterations to the composition of the Board to allow for the direct representation thereon of Members; the creation of a Planning Group; the establishment of an Audit, Finance and Risk Committee. However, following discussion and in the absence of general agreement on the matters in question, the meeting was closed without proceeding to take a vote on the Special Resolutions.

The second EGM was held in Portlaoise on 29<sup>th</sup> September. In addition to the Special Resolutions presented at the first EGM, two further Special Resolutions, proposed by IFA and ICMSA respectively, were presented<sup>3</sup>. However, as with the first EGM, the absence of general agreement meant that the meeting was closed without proceeding to a vote.

### Voting at General Meetings

Voting at any General Meeting is generally by a show of hands of the Stakeholders present. However, the Articles of Association also establish a mechanism – known as a poll – under which a Stakeholder’s vote may be weighted by reference to the amount of the Annual Financial Contribution of that Stakeholder to the Company.

### Board meetings

The Board met on three occasions between 1/2/2011 and 31/12/2011. The attendance of Directors at these meetings is summarised below:

Director	Meetings attended
M. Magan	3
G. Brickley	2
J. Collins	2
M. Doherty	3
T. Hennessy	1
J. O’Sullivan	1
R. Talbot	1

<sup>3</sup> Copies of all Special Resolutions are available to view from the Members’ Area of the AHI website.

## Conflict of interest

Any Director who is any way directly or indirectly interested in a contract or proposed contract with the Company is obliged to declare the nature of that interest at a meeting of the Directors in accordance with Section 194 of the Companies Act (1963). Directors may not vote in respect of any contract in which they have an interest. Subject to due disclosure, however, a Director may be directly or indirectly interested in a contract or arrangement with the Company, with the exception of any office or employment with the Company. Directors may not be employees of the Company.

## Committees

The only committee currently constituted by the Directors is the Remuneration Committee, which was first convened on 5<sup>th</sup> February 2010. The members of the Remuneration Committee are Mr. John O'Sullivan (Chairman), Mr. Joe Collins, Mr. Robin Talbot and Mr. Joe O'Flaherty. No meetings of the Remuneration Committee took place in the period covered by this report. Terms of Reference for this Committee are available to Members from the AHI website.

## Memoranda of Understanding

Memoranda of Understanding have been developed between AHI and the organisations listed below. These memoranda are available for inspection by Members upon request and from the AHI website.

Organisation	Date of entry into force
Department of Agriculture, Food and the Marine	14/06/2010
Teagasc	01/09/2010
Agri-Food & Biosciences Institute	22/09/2010
Glanbia	03/06/2011

## Performance monitoring

Directors and other Members have access to a wide range of information on the performance of the Company, in addition to that provided at meetings of the Board and Members. This information, which is available from the AHI website, includes: agendas and Minutes of Board and Member meetings; Management Accounts (quarterly); newsletters (quarterly); and compliance reports (quarterly).



Space restrictions preclude the provision here of comprehensive reviews of all of the work programmes and the following summary is therefore confined to those programmes of national scope which had proceeded to an implementation phase as of 31<sup>st</sup> December 2011. Regular updates on these and all other programmes are provided in the quarterly newsletters, which are available from the AHI website.

## BVD



*Dr. David Graham, Programme Manager for the biosecure diseases*

The BVD Implementation Group, supported by the Technical Working Group on BVD, met frequently following its inaugural meeting in June 2011. Meetings focussed on the planning and communication of the programme in the lead-in to the launch of the voluntary phase of the programme in January 2012. Key areas of activity included:

- Design of the programme, with an emphasis on tag testing of calves. Programme guidelines for participating farmers were agreed and protocols for re-testing calves with non-negative results established.
- The development of a technical exercise (TE) for laboratories wishing to be designated to provide test results for the programme. This was delivered by the Central Veterinary Research Laboratory (CVRL) on behalf of the BVDIG and assessed the ability of laboratories to test ear punch samples for BVD virus by either ELISA or RTPCR methods and to successfully transfer results to the ICBF database. Arising from the TE and the initial call for applications in August, five laboratories were designated by the BVDIG, with the process remaining open to other laboratories to apply subsequently.
- The development by ICBF, under the guidance of Dr. David Graham, of a database capable of receiving test results from the designated laboratories and reporting these to herd owners by SMS message. Supplementary letters, to be issued when calves produced positive or inconclusive results (or when the tag did not contain tissue) were also agreed and built into the reporting cycle. The ability to communicate these results to purchasers at the point of sale through farmer-generated declarations of negative results was also established, and work commenced on transferring results to mart electronic display boards.
- Completion of a cost-benefit study on eradication of BVD in Ireland. This suggested annual losses of €102M, with a clear benefit:cost ratio of approximately 10:1 over an anticipated six-year programme. This work was presented as part of an Economics Workshop held in July 2011 and will be published in a peer-reviewed journal over the course of 2012.
- Development and implementation of a contingency plan to use a third 'button' tag to collect the ear punch sample. This followed on from the decision by DAFM, that it would not be possible to award a tender for the provision of tissue sample-enabled official ID tags for use in 2012.

- Development and implementation of a comprehensive communication strategy to promote knowledge and awareness of the voluntary phase of the programme, which was launched by Minister Coveney at the Ploughing Match on 21<sup>st</sup> September. The launch was followed by an intensive communication effort over the remainder of the year, including attendance at a series of open days and conferences, such as the Cattle Association of Veterinary Ireland conference and the Teagasc dairy conference. In addition, a series of sixteen information evenings were held around the country in November and December, comprising presentations from veterinary practitioners on BVD, farmers on their personal experiences of BVD and from AHI on the programme itself. A series of articles was published in the farming press and the Irish Veterinary Journal, and guidance documents for farmers and vets were developed. DVDs promoting and explaining the programme were also prepared and displayed in marts.
- Developing links with veterinary and farm organisations in Northern Ireland to encourage an all-island, industry-led approach to the control of non-regulated diseases, with an initial focus on BVD. Presentations were made to veterinary organisations and DARD. Dr. David Graham represented BVDIG at several meetings of a Cattle Health Steering Group convened by the Ulster Farmer's Union. This group is actively seeking to put in place a BVD eradication programme in Northern Ireland that mirrors the approach being taken by the BVDIG.

## CellCheck



*Finola McCoy, Teagasc, CellCheck Programme Manager*

- A pilot series of Farmer Workshops was delivered in June and July 2011. 9 workshops were held, one in each stakeholder (milk processor) region, and almost 100 farmers participated. The objective of the workshop was to deliver best science and practice information around mastitis control to farmers, and to encourage the uptake of key best practices in everyday milking routines. The workshops, which contained a mix of theory and activity, allowed farmers to assess their current practices and to gain an understanding of the potential economic gains from improving mastitis control. Evaluation of the pre-pilot survey showed that while the reported rate of implementation of key practices (e.g. post-milking teat disinfection) is high, the standard to which these practices is carried out is generally quite low.
- Following each farmer workshop, an information evening was held for all service providers in that region. These multidisciplinary events provided an opportunity for professionals to meet colleagues working in the same region, to learn about the workshops that some of their own clients may have participated in and to find out how they might get involved in *CellCheck* activities in the future.

- Final development work on the production of the *CellCheck Farm Guidelines for Mastitis Control*. These are practical, evidence-based best practice recommendations to assist mastitis control, supported by the latest science and research. This resource was developed as a result of collaboration between AHI and Dairy Australia, which provided AHI with access to the technical resource developed by Dairy Australia in support of the *CountDown Downunder* national programme. The *CellCheck* Technical Working Group took on the task of reviewing this material and adapting it for use in Ireland, in the process incorporating feedback from the Industry Consultation Group. This manual is designed to be a practical guide to effective mastitis control, divided into five key stages of the cow's lactation cycle, for use by farmers and service providers alike.
- Research by Teagasc into the economic impact of elevated SCC continued in 2011, and a scientific paper has been submitted for peer-review publication. This paper, which is of considerable importance to the *CellCheck* programme, demonstrates the impact of SCC on farm profitability in Ireland. It will be used as a tool to build awareness of the economic opportunities arising from improved mastitis control.
- A detailed planning exercise, involving representatives from Dairy Australia, was carried out to map out the 2012 phase of the *CellCheck* Programme. This included reviewing the work done to date, identifying the objectives for 2012 and outlining the activities to achieve these objectives. The *CellCheck* Business Plan (2012) and the *CellCheck* Programme Briefing Document (2012), both of which are available from the AHI website, reflect the outcomes of the planning exercise.





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## Directors and Other Information

### Board of Directors

M. J. Magan (Chairman)

J. G. Brickley

J. O'Sullivan

L. J. Collins

M. L. Doherty

R. Herbert Talbot

### Secretary and Registered Office

N. Morgan  
Main Street,  
Carrick-on-Shannon,  
Co. Leitrim.

### Registered Number

470675

### Solicitors

Frank Mulvey Solicitors,  
Castle Building,  
Friary Road,  
Naas,  
Co. Kildare.

### Auditors

Spain, Fewer, Quinlan & Co.,  
Chartered Accountants & Registered Auditors,  
The Mall,  
Thurles,  
Co. Tipperary.

### Bankers

Bank of Ireland,  
Carrick-on-Shannon,  
Co. Leitrim

## Directors' Report

The directors present herewith the audited financial statements for the year ended 31<sup>st</sup> December 2011.

### Statement of Directors' Responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and generally accepted accounting practices in Ireland including the accounting standards issued by the Accounting Standards Board and published by the Institute of Chartered Accountants in Ireland.

Irish company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the income and expenditure of the company for that year. In preparing those financial statements, the directors are required to:

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

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements are prepared in accordance with the accounting standards generally accepted in Ireland and comply with the Irish Companies Acts, 1963 to 1983 and 1990 to 2009. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

### Going Concern

Based on committed subscription fee income from stakeholder organisations over the next two years, the directors are satisfied that Animal Health Ireland Initiative has adequate resources to continue for at least 12 months from the date of approval of these financial statements and it is appropriate to adopt the going concern basis in the preparation of the financial statements.

### Books of Account

The measures taken by the directors to secure compliance with the company's obligations to keep proper books of account are the use of systems appropriate to the business and the employment of competent and reliable persons.

### Legal Status

Animal Health Ireland Initiative is a company incorporated under the Companies Acts, 1963 to 1983 and 1990 to 2009 limited by guarantee and not having a share capital. Animal Health Ireland Initiative is a not for profit organisation set up to enhance value for livestock farmers and the agrifood industry through superior animal health. All income to the company is applied towards the running of the organisation.

## Directors' Report (continued)

### Directors

The names of the persons who were directors at anytime during the period ended 31<sup>st</sup> December 2011 are set out below. Unless indicated otherwise, they served as directors for the entire period.

Mike Magan (Chairman)  
Gerard Brickley  
John O'Sullivan  
Laurence J. Collins  
Michael Doherty  
Robin Herbert Talbot  
Thia Hennessy (resigned 3rd July 2011)

### Principal Activities and Date of Incorporation

Animal Health Ireland Initiative was incorporated on 11<sup>th</sup> May 2009 as a Company Limited by Guarantee and not having a share capital. Its principal activities are to promote awareness and education and to coordinate effective control programmes for non-regulated diseases of livestock.

### Results

True results for the period are set out on pages 31 to 39.

### Subsequent Events

There have been no significant events affecting the company since the period end.

### Transaction involving Directors

There were no contracts of any significance in relation to the affairs of the company in which the directors had any interest, as defined in the Companies Acts, 1990, at any time during the year ending on 31<sup>st</sup> December 2011.

### Auditors

The auditors, Spain, Fewer Quinlan & Co., have indicated their willingness to continue in office in accordance with the provisions of Section 160(2) of the Companies Act, 1963.

On behalf of the Board

Mike Magan  
**Director**

Robin Herbert Talbot  
**Director**

**5th June 2012**

# Independent Auditors' Report to the Members of Animal Health Ireland Initiative

(A Company Limited by guarantee and not having a share capital)

We have audited the financial statements on pages 31 to 33 and the related Notes on pages 35 to 39. These financial statements have been prepared under the accounting policies set out on page 34.

## Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with the accounting standards issued by the Accounting Standards Board and published by The Institute of Chartered Accountants in Ireland (Generally Accepted Accounting Practice in Ireland) are set out in the Statement of Directors' Responsibilities on pages 27 to 28.

Our responsibility is to audit the financial statements in accordance with relevant legal and statutory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 193 of the Companies Act, 1990 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland applicable to, and are properly prepared in accordance with Irish statute comprising the Companies Acts, 1963 to 1983 and 1990 to 2009. We state whether we have obtained all the information and explanations we consider necessary for the purposes of our audit and whether the financial statements are in agreement with the books of account. We also report to you our opinion as to:

- Whether the company has kept proper books of account; and
- Whether the directors' report is consistent with the financial statements.

We also report to you if, in our opinion, any information specified by law regarding directors' remuneration and directors' transactions is not disclosed and, where practicable, include such information in our report.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

## Basis of Audit Opinion

We conducted our opinion in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

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

# Independent Auditors' Report to the Members of Animal Health Ireland Initiative (continued)

## Opinion

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs at 31 January 2011 and of its income and expenditure for the year then ended, in accordance with Generally Accepted Practice in Ireland.
- have been properly prepared in accordance with the Companies Acts, 1963 to 1983, and 1990 to 2009.

We have obtained all the information and explanations we consider necessary for the purposes of our audit. In our opinion proper books of account have been kept by Animal Health Ireland. The financial statements are in accordance with the books of account.

In our opinion the information given in the directors' report on pages 27 to 28 is consistent with the financial statements.

M.G Spain  
for and on behalf of  
Spain, Fewer Quinlan & Co.  
Chartered Accountants and Registered Auditors  
Thurles  
5<sup>th</sup> June 2012.

# Income and Expenditure Account

for the year ended 31st December 2011

	Note	11 Months to	12 Months to
		31 Dec 2011	31 Jan 2011
		€	€
Income from Stakeholders' Subscriptions		908,650	645,681
Other Income		7,600	
Total Income		916,250	645,681
Operating Expenses	2,3,4	(892,537)	(625,535)
Surplus on Ordinary Activities before Taxation	5	23,713	20,146
Tax on Surplus on Ordinary Activities		-	-
Surplus on Ordinary Activities after Taxation		23,713	20,146
Retained Surplus/(Deficit) at beginning of financial year		45,415	25,269
Retained Surplus/(Deficit) at end of financial year		69,128	45,415

There are no recognised gains or losses other than the surplus attributable to members of the Company for the above two financial years.

On behalf of the Board

Mike Magan  
**Director**

Robin Herbert Talbot  
**Director**



# Balance Sheet

as at 31st December 2011

	Note	31 Dec 2011	31 Jan 2011
		€	€
Fixed Assets	6	16,688	11,710
<b>Current Assets</b>			
Debtors	7	99,880	122,110
Cash at Bank		84,159	37,019
		184,039	159,129
Creditors: amounts falling due within one year	8	(131,599)	(125,424)
Net Current Assets		52,440	33,705
Total Assets less Current Liabilities		69,128	45,415
<b>Creditors: amounts falling due greater than one year</b>		-	-
Total Net Assets			
Financed By:		69,128	45,415
Revenue Reserves Account	13	69,128	45,415
Member's Funds		69,128	45,415

On behalf of the Board

Mike Magan  
**Director**

Robin Herbert Talbot  
**Director**

# Cashflow Statement

for the period ended 31 December 2011

Note	11 Months to 31 Dec 2011	12 Months to 31 Jan 2011
	€	€
<b>Reconciliation of Operating Surplus to Net Cash Inflow from Operating Activities</b>		
Surplus on Ordinary Activities after Taxation	23,713	20,146
Depreciation	2,377	1,673
Decrease / (Increase) in operating debtors and prepayments	22,230	(112,354)
Increase / (Decrease) in operating creditors and accruals	6,175	(69,184)
<b>Net Cash (Outflow)/Inflow from Operating Activities</b>	<b>53,495</b>	<b>(159,719)</b>
Increase in Cash in Period from Operating Activities	54,495	(159,719)
<b>Capital Expenditure and Financial Investment</b>		
Payments to acquire tangible Fixed Assets	(7,355)	(13,383)
<b>(Decrease) / Increase in Cash</b>	<b>47,140</b>	<b>(173,102)</b>
(Decrease)/ Increase in cash in the year / period	47,140	(173,102)
Opening Bank Balance at 1st February 2011	37,109	210,121
Closing Bank Balance at 31st December 2011	<b>84,159</b>	<b>37,019</b>

## Statement of Accounting Policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

### Accounting Convention

The financial statements are prepared under the historical cost convention in accordance with accounting standards generally accepted in Ireland and Irish statute comprising the Companies Act 1963 to 2009. Accounting Standards generally accepted in Ireland in preparing financial statements giving a true and fair view are those issued by the Accounting Standards Board. The financial statements are expressed in Euro (€).

### Income

Income consists of stakeholders' subscriptions. These funds are recognised in the financial statements on an accrual basis. Income received from stakeholders, including the Department of Agriculture, Food and the Marine (DAFM) is credited to the income and expenditure account so as to match it with the expenditure to which it relates. (Please also refer to policy on Government Grants).

### Government Grants

Government grants are provided through the Department of Agriculture, Food and the Marine (DAFM) as annual stakeholder subscriptions to Animal Health Ireland Initiative (AHI). They are recognised in the profit and loss account to match them with the expenditure towards which they are intended to contribute. (Note - no government grants in respect of capital expenditure have been received to date by AHI.)

### Expenditure

All expenditure to date has been written off and no value is attributed to unexpired costs or research projects completed to date.

### Fixed Assets & Depreciation

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost each asset systematically over its expected useful life, as follows:

Office Equipment – 12.5% Straight Line

Fixtures and Fittings – 12.5% Straight Line

# Notes to the financial statements

## Note 1 Going Concern

Based on committed stakeholder subscriptions over the next two years and cash at bank, the directors are satisfied that Animal Health Ireland Initiative has adequate resources to continue for at least 12 months from the date of approval of these financial statements and it is appropriate to adopt the going concern basis in the preparation of the financial statements.

## Note 2 Staff Costs

	11 Months to Dec 2011	12 Months to Jan 2011
The staff costs for all employees are comprised of:	€	€
Wages, Salaries and Social Welfare Costs	214,767	99,713
Other Staff Costs	112,145	119,411
<b>Total Staff Costs</b>	<b>326,912</b>	<b>219,124</b>

The average number of people employed by the company during the period:-

Management	1
Administration	1
Project Management	1
Planning & Operations Management	1
Technical Working Group Liaison	1
<b>Total</b>	<b>5</b>

Staff Costs have increased in the period to Dec 2011 due to the effect salary costs for the entire period for the Project Manager and Planning & Operations Manager. In the comparative period, these positions were only filled during the final Quarter of that Financial Year. In addition a Technical Working Group Liaison was recruited during the current period.

Included under Other Staff Costs is the Department of Agriculture, Food and the Marine (DAFM) contribution towards the CEO's salary and superannuation scheme. These costs form part of the DAFM's overall annual contribution to the running of Animal Health Ireland Initiative, as set out in Note 3 below.

## Notes to the financial statements (Continued)

### Note 3 Government Grants

The company received Government grants through the Department of Agriculture, Food and the Marine's stakeholder subscriptions totalling €451,825 in the period to 31<sup>st</sup> December 2011. This grant aid was provided as follows:

	11 Months to Dec 2011	12 Months to Jan 2011
	€	€
Value of overall DAFM staff input – including Travel & Subsistence expenses reimbursed	112,145	125,908
Contribution to overall running costs of Animal Health Ireland	339,680	201,837
<b>Total DAFM Contribution</b>	<b>451,825</b>	<b>327,745</b>

### Note 4 Directors' Emoluments

In the period ended 31 January 2011 Director's emoluments were as follows:

	11 Months to Dec 2011	12 Months to Jan 2011
	€	€
Directors' Honoraria / Chairman's Per Diem	46,301	47,498
Vouched Travel Expenses	13,776	12,145
<b>Total Emoluments paid to Directors</b>	<b>59,877</b>	<b>59,643</b>

### Note 5 Taxation

The charge for taxation is made up as follows:-

	11 Months to Dec 2011	12 Months to Jan 2011
	€	€
Corporation Tax Charge for the year:	-	-

The directors have not provided for any Corporation Tax Liability for the year ending 31 December 2011. The company received a determination from Revenue in 2010 regarding its Mutual Trading status: AHI is not liable to taxation on any surplus in Stakeholder Contributions over its total expenditure for the year.

## Notes to the financial statements (Continued)

Note 6	Fixed Assets	Office Equipment	Furniture & Fittings	Total
		€	€	€
	<b>Cost</b>			
	Opening Cost	11,997	1,386	13,383
	Additions	6,685	670	7,355
	Closing Costs	<b>18,682</b>	<b>2,056</b>	<b>20,738</b>
	<b>Depreciation</b>			
	Opening Depreciation	1,500	173	1,673
	Depreciation Charge	2,141	236	2,377
	Closing Depreciation	<b>3,641</b>	<b>409</b>	<b>4,050</b>
	<b>Net Book Value</b>			
	NBV at 31 December 2011	<b>15,041</b>	<b>1,647</b>	<b>16,688</b>
	NBV at 31 January 2011	<b>10,498</b>	<b>1,213</b>	<b>11,710</b>

Note 7	Debtors	31 Dec 2011	31 Jan 2011
		€	€
	Debtors and Prepayments	-	6,088
	Stakeholder Subscriptions	99,880	116,022
	<b>Total Debtors</b>	<b>99,880</b>	<b>122,110</b>

Note 8	Creditors	31 Dec 2011	31 Jan 2011
		€	€
	Prepayment of other stakeholder subscriptions	-	36,667
	Accruals & Deferred Income	131,599	88,757
	<b>Total Creditors due in less than one year</b>	<b>131,599</b>	<b>125,424</b>

## Notes to the financial statements (continued)

### Note 9 Pension

Animal Health Ireland Initiative does not operate a pension scheme. Animal Health Ireland Initiative indirectly contributed to the pension scheme of an employee through the annual subscription made to AHI by the Department of Agriculture, Food and the Marine.

### Note 10 Share Capital

The Company is limited by guarantee and has no share capital. The liability of members is limited to one thousand euro per member.

### Note 11 Related Parties

During the period ending on 31 January 2011, the Department of Agriculture, Food and the Marine (DAFM) provided staff resources and paid invoices on behalf of Animal Health Ireland worth a total of €112,145. The total stakeholder contribution for the year ended 31 January 2011 by DAFM to AHI as set out in Note 3 was €451,825. At 31 December 2011, DAFM owed €65,873 in respect of its' 2011 annual contribution.

The company also received services in lieu of subscriptions from the following organisations:

University College Dublin (UCD)

Teagasc

Irish Cattle Breeding Federation (ICBF)

The services, and related subscriptions received from UCD, Teagasc and ICBF were unable to be quantified and accordingly were not included in the Income and Expenditure account.

### Note 12 Transactions with Directors

There were no related party transactions with the directors during the year ended 31 December 2011.

### Note 13 Reconciliation of movements in member's funds

	31 Dec 2011	31 Jan 2011
	€	€
Surplus for the year	23,713	20,146
Opening Members' Funds	45,415	25,269
<b>Closing Members' Funds</b>	<b>69,128</b>	<b>45,415</b>

## Notes to the financial statements (continued)

### **Note 14      Company Limited by Guarantee**

The company is one limited by guarantee not having a share capital. The liability of each member, in the event of the company being wound up, will not exceed one thousand euro per member.

### **Note 15      Approval of Financial Statements**

The financial statements were approved and authorised for issue by the board of directors on 5th June 2012.

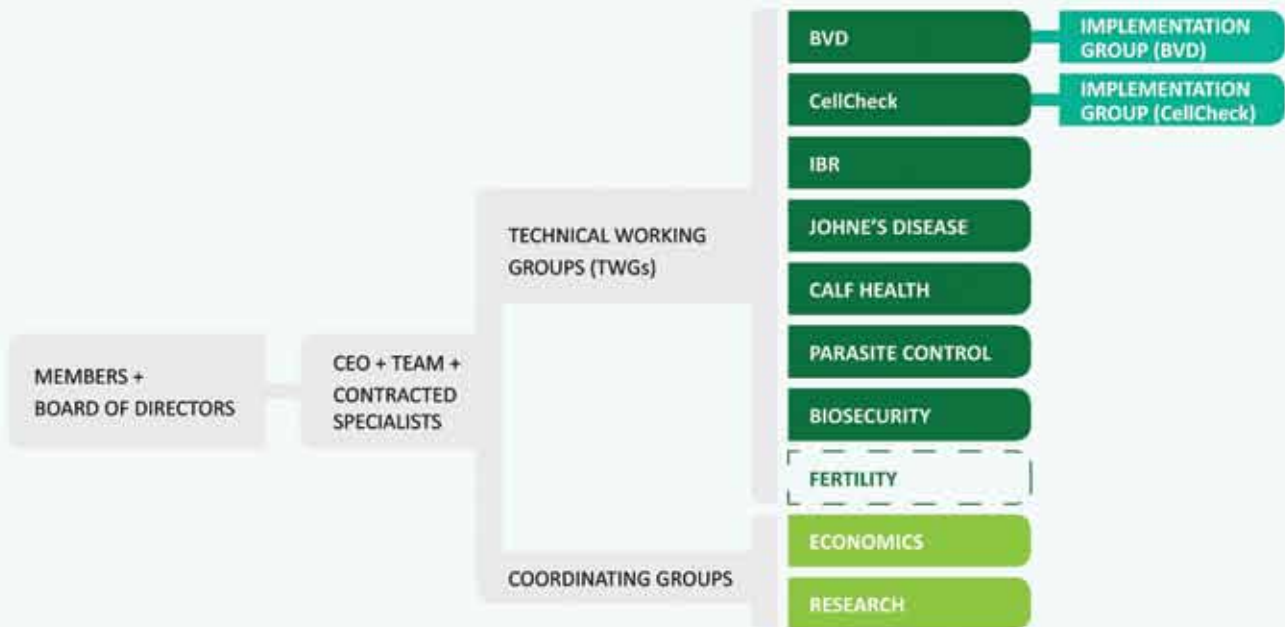
On behalf of the Board

Mike Magan  
**Director**

Robin Herbert Talbot  
**Director**



## OUR HUMAN RESOURCES





Should any further information be required please contact our office at:

Animal Health Ireland,  
Main Street,  
Carrick-on-Shannon,  
Co Leitrim.  
Tel: +353 (0) 71 9671928  
Email: [admin@animalhealthireland.ie](mailto:admin@animalhealthireland.ie)