

Form AR27

Trade Union and Labour Relations (Consolidation) Act 1992

Annual Return for an Employers' Association

Name of Employers' Association:	Dairy UK Limited				
Year ended:	31 December 2019				
List No:					
Head or Main Office:	6th Floor				
	210 High Holburn				
	London				
Postcode	WC1V 7EP				
Website address (if available)					
Has the address changed during the year to which the return relates?	Yes	<input type="checkbox"/>	No	<input checked="" type="checkbox"/>	('X' in appropriate box)
General Secretary:	K J Hunter				
Contact name for queries regarding the completion of this return:	K J Hunter				
Telephone Number:	0141 942 1447				
E-mail:	khunter@dairyuk.org				

Please follow the guidance notes in the completion of this return

Any difficulties or problems in the completion of this return should be directed to the Certification Office as below or by telephone to: 0330 1093602

You should sent the annual return to the following address stating the name of the union in subject:

For Employers' Associations based in England and Wales: returns@certoffice.org

For Employers' Associations based in Scotland: ymw@tcyoung.co.uk

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Return of Members

(see note 9)

Number of members at the end of the year				
Great Britain	Northern Ireland	Irish Republic	Elsewhere Abroad (Including Channel Islands)	Totals
180	5		2	187

Change of Officers

Please complete the following to record any changes of officers during the twelve months covered by this return.

Position held	Name of Officer ceasing to hold office	Name of Officer appointed	Date of Change
Director	Arthur R Fearnall		06 November 2019
Director	Richard D Pearman		31 March 2019
Director		Robert K Craig	31 July 2019
Director		Lyndon R C Edwards	06 November 2019

Officers in post

(see note 10)

Please complete list of all officers in post at the end of the year to which this form relates.

Name of Officer	Position held
Afshin Amirahmadi	Director
Thomas Alexander Atherton	Director
Robert Keith Craig	Director
Lyndon Roger Charles Edwards	Director
Robert Bishop Graham	Director
Shalagh Mccone Hancock	Director
Michael Gerard Hanley	Director
Neil Angus Kennedy	Director
Hugues Bernard Meaudre	Director
Patrick Markus Muller	Director
Paul Vernpn	Director
Nick Whelan	Director
Kirk John Hunter	Company Secretary

Revenue Account / General Fund

(see notes 11 to 16)

Previous Year			£	£
	Income			
1,246,144	From Members	Subscriptions, levies, etc	1,457,999	1,457,999
	Investment income	Interest and dividends (gross)		
488		Bank interest (gross)	1,317	1,317
		Other (specify)		
16,298		Interest and dividends (gross)	17,131	17,131
6,499		Profit on disposal of listed investment	-2,073	-2,073
		Profit on revaluation of investments	761,306	761,306
23,285		Total Investment Income	777,681	777,681
	Other Income	Rents received	340,750	340,750
		Insurance commission		
		Consultancy fees		
		Publications/Seminars		
		Miscellaneous receipts (specify)		
1,431,266		Miscellaneous receipts (see A)	1,427,043	1,427,043
3,700		Profit on sale of fixed assets	1,600	1,600
1,722,123		Total of other income		1,769,393
2,991,552		Total income		4,005,073
		Interfund Transfers IN		
	Expenditure			
1,030,334	Administrative expenses	Remuneration and expenses of staff	1,134,099	1,134,099
195,541		Occupancy costs	206,730	206,730
44,715		Printing, Stationery, Post	66,368	66,368
		Telephones		
134,898		Legal and Professional fees	148,877	148,877
		Miscellaneous (specify)		
1,366,325		Other administrative expenses (See B)	1,306,474	1,306,474
2,771,813		Total of Admin expenses		2,862,548
	Other Charges	Bank charges	1,695	1,695
1,320		Depreciation	35,187	35,187
33,992		Sums written off		
		Affiliation fees		
		Donations		
		Conference and meeting fees		
		Expenses		
		Miscellaneous (specify)		
152,196		Subscriptions, affiliation fees, donations, conference and meeting fees	151,139	151,139
25,000		Actuarial loss net of deferred tax	25,000	25,000
492,517		Loss on revaluation of investments		
705,025		Total of other charges		213,021
-184,562		Taxation	268,229	268,229
3,292,276		Total expenditure		3,343,798
		Interfund Transfers OUT		
-300,724		Surplus/Deficit for year		661,275
7,299,595		Amount of fund at beginning of year		6,998,871
6,998,871		Amount of fund at end of year		7,660,146

Accounts other than Revenue Account/General Fund

(see notes 17 to 18)

Account 6		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
		Total Income	
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		Total Expenditure	
Interfund Transfers OUT			
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Account 7		Fund Account	
Name of account:		£	£
Income			
From members			
Investment income			
Other income (specify)			
		Total Income	
Interfund Transfers IN			
Expenditure			
Administrative expenses			
Other expenditure (specify)			
		Total Expenditure	
Interfund Transfers OUT			
		Surplus (Deficit) for the year	
		Amount of fund at beginning of year	
		Amount of fund at the end of year (as Balance Sheet)	

Fixed Assets account

(see note 21)

	Land and Buildings	Fixtures & Fittings	Motor Vehicles & Equipment	Total £
Cost or Valuation				
At start of period	7,360,364	120,824	69,310	7,550,498
Additions during period	720,000	3,849	18,435	742,284
Less: Disposals		-2,085	-16,150	-18,235
Less: Depreciation	-48,217	-104,638	-39,848	-192,703
Total to end of period	8,032,147	17,950	31,747	8,081,844
Book Amount at end of period	8,032,147	17,950	31,747	8,081,844
Freehold	8,000,000			8,000,000
Leasehold (50 or more years unexpired)				
Leasehold (less than 50 years unexpired)	32,147			32,147
Total of Fixed Assets	8,032,147	17,950	31,747	8,081,844

Analysis of Investments

(see note 22)

Quoted		Other Funds
	British Government & British Government Guaranteed Securities	
	British Municipal and County Securities	
	Other quoted securities (to be specified)	
	Total Quoted (as Balance Sheet)	
	Market Value of Quoted Investments	
Unquoted	British Government Securities	
	British Municipal and County Securities	
	Mortgages	
	Other unquoted investments (to be specified)	
	Unit trust investments	426,697
	Investment in subsidiary	6
	Total Unquoted (as Balance Sheet)	426,703
	Market Value of Unquoted Investments	

* Market value of investments to be stated where these are different from the figures quoted in the balance sheet

Summary Sheet

(see notes 24 to 33)

	All Funds	Total Funds
		£
Income		
From Members	1,457,999	1,457,999
From Investments	777,681	777,681
Other Income (including increases by revaluation of assets)	1,769,393	1,769,393
Total Income	4,005,073	4,005,073
Expenditure (including decreases by revaluation of assets)		
Total Expenditure	3,343,798	3,343,798
Funds at beginning of year (including reserves)	6,998,871	6,998,871
Funds at end of year (including reserves)	7,660,146	7,660,146
ASSETS		
Fixed Assets		8,081,844
Investment Assets		426,703
Other Assets		1,099,356
Total Assets		9,607,903
Liabilities		
Total Liabilities		1,947,757
Net Assets (Total Assets less Total Liabilities)		7,660,146

Notes to the accounts

(see note 34)

All notes to the accounts must be entered on or attached to this part of the return.

Notes attached to P13.

DAIRY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

Company information

Dairy UK Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is 6th Floor, 210 High Holborn, London, WC1V 7EP.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The directors have considered the impact of the Covid-19 pandemic on the business and do not believe there to be any change in the going concern status of the company.

1.3 Revenue recognition

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT. The business income streams include the following:

Subscriptions

Subscriptions generally run for a period of one year. A membership subscription is payable either annually in advance or monthly by direct debit.

A full member of the company must give not less than one year's notice in writing of resignation from membership. Membership income is accounted for on an accruals basis.

The Roll Container Repatriation Scheme

The Roll Container Repatriation Scheme is a vehicle by which individual members of the scheme can ensure that trolleys are repatriated back to the correct members after being used to transport produce.

Subscriptions for the scheme generally run for a period of one year. A membership subscription is payable annually in advance.

Members are also charged a monthly fee based on the number of trolley returns in that month.

DAIRY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold property	over the term of the lease
Plant and equipment	3 years straight line
Fixtures and fittings	15% per annum on a reducing balance basis
Computers	3 years straight line
Motor vehicles	4 years straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to surplus or deficit.

1.5 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. The surplus or deficit on revaluation is recognised in profit or loss.

1.6 Investments in subsidiaries

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in surplus or deficit.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.7 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

1.8 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

DAIRY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets, which constitute listed investments, are classified through profit or loss and are measured at fair value.

Current asset investments

Current asset investments are measured using the fair value model and are stated at their fair value at the reporting date. Changes in fair value are recognised in the profit and loss account.

Fair value is based on quoted prices in an active market.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

DAIRY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

1.10 Taxation

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Defined contribution pension scheme

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Defined benefit pension scheme

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

DAIRY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2019

1 Accounting policies

(Continued)

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in surplus or deficit as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.13 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Deferred tax

Deferred tax liabilities reflect the director's best estimate of future taxes to be paid by the company. This involves estimating future tax rates and likely timings of future events.

Pension assumptions

Reliance has been placed on the figures provided by the Scheme Actuary in determining the pension scheme assets and liabilities.

DAIRY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

3 Turnover and other revenue

	2019 £	2018 £
Turnover analysed by class of business		
General membership subscriptions	1,457,999	1,246,144
Activities including the Roll Container Repatriation Scheme	629,467	665,487
Other activities and project income	699,966	663,819
	<u>2,787,432</u>	<u>2,575,450</u>

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2019 Number	2018 Number
Total	<u>18</u>	<u>18</u>

5 Income from other fixed asset investments

	2019 £	2018 £
Rent receivable	<u>340,750</u>	<u>287,157</u>

6 Interest receivable and similar income

	2019 £	2018 £
Interest receivable and similar income includes the following:		
Bank interest	1,317	488
Other investment income	15,058	22,797
	<u>16,375</u>	<u>23,285</u>

7 Fair value gain/(loss) on investments

	2019 £	2018 £
Fair value gains/(losses)		
Change in value of financial assets held at fair value through profit or loss	41,306	(42,517)
Changes in the fair value of investment property	720,000	(450,000)
	<u>761,306</u>	<u>(492,517)</u>

DAIRY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

8 Tangible fixed assets

	Leasehold property	Plant and machinery etc	Total
	£	£	£
Cost			
At 1 January 2019	80,364	190,134	270,498
Additions	-	22,284	22,284
Disposals	-	(18,235)	(18,235)
At 31 December 2019	80,364	194,183	274,547
Depreciation and impairment			
At 1 January 2019	40,181	135,571	175,752
Depreciation charged in the year	8,036	27,150	35,186
Eliminated in respect of disposals	-	(18,235)	(18,235)
At 31 December 2019	48,217	144,486	192,703
Carrying amount			
At 31 December 2019	32,147	49,697	81,844
At 31 December 2018	40,183	54,563	94,746

9 Investment property

	2019 £
Fair value	
At 1 January 2019	7,280,000
Additions	720,000
At 31 December 2019	8,000,000

Investment property comprises a residential property located in London. The fair value of the investment property has been arrived at on the basis of a valuation carried out at 31 December 2019 by James Boatman Chartered Surveyors, who are not connected with the company. The valuation was made on an open market value basis by reference to market evidence of transaction prices for similar properties.

The title of the freehold investment property remains with The National Dairyman's Association Limited. The property has been recognised in these financial statements because the beneficial interest in the property has been transferred to Dairy UK Limited.

A charge is held over the freehold investment property in favour of the trustees of The Dairy UK Limited Pension Scheme for up to £1,700,000.

DAIRY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

10 Fixed asset investments

	2019 £	2018 £
Shares in group undertakings and participating interests	6	6

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 January 2019 & 31 December 2019	6
Carrying amount	
At 31 December 2019	6
At 31 December 2018	6

11 Financial instruments

	2019 £	2018 £
Carrying amount of financial assets		
Instruments measured at fair value through surplus or deficit	426,697	437,214

12 Debtors

	2019 £	2018 £
Amounts falling due within one year:		
Service charges due	373,537	317,283
Amounts owed by group undertakings	571	620
Other debtors	73,402	88,220
	447,510	406,123

	2019 £	2018 £
Amounts falling due after more than one year:		
Other debtors	-	32,490
Total debtors	447,510	438,613

DAIRY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

13 Current asset investments

	2019 £	2018 £
Listed investments	426,697	437,214

14 Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	146,100	158,769
Corporation tax	32,367	-
Other taxation and social security	75,858	41,020
Other creditors	615,543	611,739
	<u>869,868</u>	<u>811,528</u>

15 Retirement benefit schemes

	2019 £	2018 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	96,070	83,675

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

Defined benefit schemes

The Company operates a defined benefit pension scheme in the UK. There is a separate trustee administered fund holding the pension scheme assets to meet long term pension liabilities. The scheme is closed to future accrual of benefits.

The pension schemes' assets are held separately from those of the company in separate trustee administered funds. The contributions are determined with the advice of an independent actuary on the basis of regular valuations.

The most recent valuation upon which the amounts included in the financial statements are based, was carried out at 31 December 2016. Using this as a basis the actuarial valuation of the scheme has been updated to 31 December 2016 by an independent qualified actuary in accordance with section 28 of FRS 102.

As required by section 28 of FRS 102, the defined benefit liabilities have been measured using the projected unit method.

The company currently pays contributions at the rate of £25,000 (2018: £25,000) per annum. In addition, the company pays Pension Protection Fund levies, administration, trustee and legal expenses as they fall due.

The company's pension obligations in respect of the scheme are secured by a charge over the investment property up to £ 1,700,000.

DAIRY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

15 Retirement benefit schemes

(Continued)

	2019	2018
	%	%
<i>Key assumptions</i>		
Discount rate	2.00	2.76
Expected rate of increase of pensions in payment	3.06	3.20
RPI	3.12	3.28
CPI	2.12	2.28
	=====	=====
<i>Mortality assumptions</i>		
	2019	2018
	Years	Years
Assumed life expectations on retirement at age 65:		
Retiring today		
- Males	21.90	22.60
- Females	24.20	24.70
	=====	=====
Retiring in 20 years		
- Males	23.60	24.80
- Females	25.90	27.00
	=====	=====

The pensioner mortality assumption for the current year was S3PMA/S3PFA, CMI 2018 (2018: S2PMA/S2PFA, CMI 2015) projection with 1.5% long-term rate for males and females.

	2019	2018
	£	£
<i>Amounts recognised in the profit and loss account</i>		
Interest on assets	411,000	385,000
Interest on liabilities	(411,000)	(385,000)
	-----	-----
Total costs	-	-
	=====	=====
<i>Amounts taken to other comprehensive income</i>		
	2019	2018
	£	£
Actual return on scheme assets	1,568,000	(1,681,000)
Actuarial (losses)/gains on scheme assets	(470,000)	1,132,000
Changes in effect of asset ceiling	(1,123,000)	524,000
	-----	-----
Total costs	(25,000)	(25,000)
	=====	=====

DAIRY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

15 Retirement benefit schemes

(Continued)

The amounts included in the balance sheet arising from the company's obligations in respect of defined benefit plans are as follows:

	2019 £	2018 £
Present value of defined benefit obligations	15,708,000	14,930,000
Fair value of plan assets	(16,824,000)	(14,943,000)
Surplus in scheme	(1,116,000)	(13,000)
Asset not recognised due to asset ceiling	1,116,000	13,000
Total surplus recognised	-	-

	2019 £
<i>Movements in the present value of defined benefit obligations</i>	
Liabilities at 1 January 2019	14,930,000
Benefits paid	(103,000)
Actuarial gains	470,000
Interest cost	411,000
At 31 December 2019	15,708,000

The defined benefit obligations arise from plans which are wholly or partly funded.

	2019 £
<i>Movements in the fair value of plan assets</i>	
Fair value of assets at 1 January 2019	14,943,000
Interest income	411,000
Return on plan assets (excluding amounts included in net interest)	1,568,000
Benefits paid	(103,000)
Contributions by the employer	25,000
Expenses and insurance premiums paid	(20,000)
At 31 December 2019	16,824,000

The actual return on plan assets was £1,979,000 (2018 - £1,296,000).

DAIRY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2019

15 Retirement benefit schemes

(Continued)

	2019	2018
	£	£
<i>Fair value of plan assets at the reporting period end</i>		
Equity instruments	1,118,000	5,091,000
Debt instruments	6,248,000	1,161,000
Cash	217,000	309,000
With profits assets	9,241,000	8,382,000
	<u>16,824,000</u>	<u>14,943,000</u>

16 Members' liability

The company is limited by guarantee, not having a share capital and consequently the liability of members is limited, subject to an undertaking by each member to contribute to the net assets or liabilities of the company on winding up such amounts as may be required not exceeding £10.

17 Operating lease commitments



Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2019	2018
	£	£
	<u>594,500</u>	<u>66,600</u>

Accounting policies



(see notes 35 & 36)

 Accounting policies.pdf	 Notes to the accounts.pdf
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Signatures to the annual return

(see notes 37 and 38)

Including the accounts and balance sheet contained in the return.

Secretary's Signature:		Chairman's Signature:	
			(or other official whose position should be stated)
Name:	Kirk Hunter	Name:	Judith Bryans
Date:	24 August 2020	Date:	24 August 2020

Checklist

(see note 39)

(please enter 'X' as appropriate)

Is the return of officers attached? (see Page 2)	Yes	X	No	
Has the list of officers been completed? (see Page 2A)	Yes	X	No	
Has the return been signed? (see Note 37)	Yes	X	No	
Has the auditor's report been completed? (see Note 41)	Yes	X	No	
Is the rule book enclosed? (see Note 39)	Yes	X	No	
Has the summary sheet been completed? (see Notes 6 and 24 to 33)	Yes	X	No	

Checklist for auditor's report

(see notes 41 to 44)

The checklist below is for guidance. A report is still required either set out overleaf or by way of an attached auditor's report that covers the 1992 Act requirements.

1. In the opinion of the auditors or auditor do the accounts they have audited and which are contained in this return give a true and fair view of the matters to which they relate? (See section 36(1) and (2) of the 1992 Act and notes 43 and 44)

Please explain in your report overleaf or attached.

2. Are the auditors or auditor of the opinion that the union has complied with section 28 of the 1992 Act and has:

- a. kept proper accounting records with respect to its transactions and its assets and liabilities; and
- b. established and maintained a satisfactory system of control of its accounting records, its cash holding and all its receipts and remittances.

(See section 36(4) of the 1992 Act set out in note 43)

Please explain in your report overleaf or attached.

3. Your auditors or auditor must include in their report the following wording:

In our opinion the financial statements:

- give a true and fair view of the matters to which they relate to.
- have been prepared in accordance with the requirements of the sections 28, 32 and 36 of the Trade Union and Labour Relations (consolidation) Act 1992.

Auditor's report (continued)

Moore Northern Home Counties Limited audited the financial statements of the company for the year ended ended 31 December 2019 in accordance with the Companies Act 2006 and our report dated 12 August 2020 is attached.

In addition we confirm that in our opinion the financial statements have been prepared in accordance with the requirements of the sections 28, 32 and 36 of Trade Union and Labour Relations (consolidation) Act 1992.



Auditor's report.pdf

Signature(s) of auditor or auditors:	<i>Moore NHC Ltd</i>	
Name(s):	Moore Northern Home Counties Ltd	
Profession(s) or Calling(s):	Statutory Auditor	
Address(es)	73-75 High Street Stevenage Hertfordshire SG1 3HR	
Date:	26 August 2020	
Contact name for enquiries and telephone number:	Anne Davies 01438 741147	

N.B. When notes to the accounts are referred to in the auditor's report a copy of those notes must accompany this return.

DAIRY UK LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF DAIRY UK LIMITED

Opinion

We have audited the financial statements of Dairy UK Limited (the 'company') for the year ended 31 December 2019 which comprise the income and expenditure account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) 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 company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors 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 Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

DAIRY UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF DAIRY UK LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 the directors 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 directors are responsible for assessing the company'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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 (UK) 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 Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

DAIRY UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF DAIRY UK LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company'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 company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Moore NHC Ltd

Anne Davies (Senior Statutory Auditor)
for and on behalf of Moore Northern Home Counties Limited

Chartered Accountants

Statutory Auditor

First Floor

73-75 High Street

Stevenage

Hertfordshire

SG1 3HR

12 August 2020
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