

The Society of Dairy Technology



Passion for Dairy

Larnick Park, Higher Larrick, Trebulet, Launceston, Cornwall, PL15 9QH
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ANNUAL REPORT

&

FINANCIAL STATEMENTS

2015/2016

Registered Charity 1081615

Company No. 3965383

VAT Reg. No. 379 6032 24

***THE SOCIETY OF DAIRY TECHNOLOGY
73rd ANNUAL GENERAL MEETING***

Wednesday 9th November 2016, 9.30 a.m.

AGENDA

1. Apologies
2. To confirm the Minutes of the Annual General Meeting held on 11th November 2015
3. Matters Arising not covered by the Agenda
4. Confirmation of Officers and Council Members for 2016/17
5. To receive Council's Report to Members for 2015/16
6. To receive the Honorary Treasurer's Report and approve the Annual Accounts of the Society for 2015/16
7. To receive the Publications Committee report for 2015/16
8. To appoint an Auditor
9. Any Other Business

THE SOCIETY OF DAIRY TECHNOLOGY
72nd ANNUAL GENERAL MEETING
Askham Bryan College, York
Wednesday 11th November 2015, 09.30 a.m.

MINUTES

37 members attended.

1. Apologies were received from the following: Adnan Tamime; Ian McDougall; Eurwen Richards; Richard Sheard; Nigel White; Chris Askew; Maurice Walton; Pauline Russell; Ken Burgess.
2. The minutes of the 2014 AGM were accepted as a true record. Proposed by Soeren Vonsild and seconded by Ian Gordon.
3. There were no matters arising from the minutes.
4. The officers and Council members for 2015-16 were confirmed as:

Executive Officers

President: Dr John Tuohy
Senior Vice-President: Soeren Vonsild
Junior Vice-President: Dr Paul Bouchier
Immediate Past President: Dr Ken Burgess

Officers

Honorary Secretary: Dr Ken Burgess
Honorary Treasurer: Alan Stack
Chairman of Publications: Andrew Wilbey

Members of Council:

Chris Askew Dr Ian McDougall
Chris Edwards Brian Peacock
Nick Edwards Joshua Bough (Eden student rep)
Dr Ian Gordon
Section Representatives: Mike Harvey, Pat O'Connell

Dr Luisa Candido was nominated as a Council Member by Dr Judith Bryans and was unanimously voted onto Council. All other Council members listed above were elected to serve for a further year.

These were proposed by John Sumner and seconded by Stephen Walker

5. Report to members by Council

The President's Review was presented by Dr John Tuohy

It has been a great honour to serve on the Council and as an officer of the Society of Dairy Technology, but taking over the Presidency of an organization that has been at the forefront of scientific and technical knowledge transfer in the dairy industry of the UK and Ireland for over seven decades is a particular privilege. In acknowledging the strategic contribution of the outgoing President, Dr Ken Burgess, at last year's AGM, I commented that a key feature in the success of the Society was that it had adapted to the many technological and structural changes that had taken place in the dairy industry over that period of time.

While it is right and proper to celebrate past achievements, we must look forward to the possibilities and challenges facing the Society. This we can undertake with a unity of purpose and clarity of vision, which is enshrined, in our statement of purpose; to advance the professional development and recognition (of our members) through knowledge transfer and networking. To contribute to the realization of these objectives we have focused on two specific initiatives over the past year; (1) to make the SDT website the communications hub of the Society and (2) to bring continuous professional development (CPD) to the forefront of the Society's activities. A significant upgrade to the website to integrate membership application, renewal and online payment was achieved on time and within budget thanks to the effective management of the project by our Executive Director, Dr Liz Whitley. In addition a Forum facility, to promote discussion on common interest topics, has been added to the Members' section of the site and members are encouraged to add and moderate topics of particular importance and relevance to their professional roles and interests.

A sub-committee of the Council, chaired by Mr Chris Edwards, was established in February to formulate a plan to enable the Society to play a central role in the UK & Irish dairy industries in relation to the validation and recognition of the CPD for people working in the sector. Significant progress has been made by this group and a vital process of stakeholder consultation is currently underway.

I am pleased to report on a busy schedule of Events on important topics that have been well supported over the past year. The year started with the Annual Dinner, at Reaseheath College, when over 35 members and guests celebrated the graduation of the third cohort of Eden students. The following day, the Society had a stand at the Nantwich International Cheese Awards. The Autumn Symposium and AGM was this year held at Harper Adams University in November. Over 70 members and guests attended a very informative day focussing on Food Safety with presentations by Prof Cath Rees, Dr Lynn MacIntyre, Dr Ken Burgess and Lawrence Stanniforth. Following this, early in 2015, was a seminar on Renewable Energy combined with a very informative site visit to the biomass energy plant on the Aurivo Dairy Ingredients site, which was jointly organized by the Southern Ireland Section and the Agricultural & Food section of Engineers Ireland. The event was kindly hosted by the Aurivo Co-Operative Society.

The SDT Spring Conference was held in Northern Ireland this year, at the Loughry Campus of the College of Agriculture, Food and Rural Enterprise (CAFRE). Appropriately, on the day that marked the beginning of the post- EU milk quota era, the theme of the conference was Future in Focus – The Dairy Industry in a post-quota world. The previous afternoon delegates visited the Ballyrashane Creamery near Coleraine, a visit which included their new state of the art butter plant. Later that month a symposium (jointly with Engineers Ireland) on the Impact of expansion in the Dairy Sector on Water Demand and Wastewater Treatment was held in the Teagasc Food Research Centre, Moorepark, followed by a visit to the anaerobic digester on the Castlefarm site of Dairygold at Mitchelstown.

After a break of some years in this type of event, an evening meeting, featuring papers from two distinguished academics Prof. Hilton Deeth (University of Queensland) and Dr Mike Lewis (University of Reading) on the theme Milk: Composition and Effect, was held at the University of Reading in May.

These workshops, symposia, keynote lectures, conferences and site visits provide exceptional opportunities to keep current on important technical topics, to see industrial developments at first hand and network across a range of common-interest issues. Many of the presentations from these events can be accessed on the Member or Guest sections of the website.

The publication activities of the Society play an important role in the dissemination of the latest research and knowledge. The International Journal of Dairy Technology continues to flourish and make an important contribution to the Society. A new title, Biofilms in the Dairy Industry has been added to the Society's Technical Series of books this year. The Society continues to contribute a monthly SDT page to Dairy Industries International. SDT newsletters are being issued (and opened) more frequently and our social media sites continue to attract attention. The contribution of the Chairman, Mr. Andrew Wilbey and members of the Publications Committee towards maintaining the high output and standards of SDT publications is gratefully acknowledged.

I would like to thank all the officers and members of the Council for their commitment, energy and support over the past year. In particular the contributions of Dr Ken Burgess in his new role as Honorary Secretary, Mr. Soeren Vonsild (Senior Vice-President), Mr. Alan Stack (Hon. Treasurer), Mr. Chris Edwards and members of the CPD sub-committee and Dr Liz Whitley (Executive Director) have been remarkable. Finally, Mr. Joshua Bough, who joined the Council this year, having been elected by student members for the first time in the history of the Society, has brought an important perspective and vitality to the Council.

Dr Liz Whitley, Executive Director presented the following report on Membership

Membership continues to remain at just above 400 members at 418, with the number of members leaving the Society slightly exceeding the new member applications. This is disappointing given the increase in the number and range of events and the work that we do to recruit new members.

New Members

The following 62 members applied to join the Society in the last year and were duly approved during Council meetings.

C O'Donovan	Glanbia Cheese	E Robinson	Arla Foods
M Anderson	Reaseheath College	J Caldwell	Arla Foods
K Merrett	Reaseheath College	R Clarke	Arla Foods
D Brown	Arla Foods	W J Paul	Arla Foods
S Jennings	Berry Ottaway	R Jeeves	Arla Foods
C Fagan	University of Reading	A Bowles	Arla Foods
S Redpath	Arla Foods	A Massey	Muller Foods
J Wormald	Arla Foods	G Perrins	Muller Foods
A Anchimiuk	Arla Foods	K Edwards	Dairy Crest
M Hodgson	CCL Pentasol	D Jones	Glanbia Foods
M Faherty	Irish Dairy Board Co-operative	R Bradley	Ytron-Quadro UK Ltd
J Cooney	Arla Foods	C Ryan	Bega Cheese
D Kendall	Arla Foods	J Dempsey	Arla Foods
F Camara Martos	Universidad de Cordoba	S Oliver	Pepsico
J Deeprise	Independent Journalist	P Pritchard	Magnaflux
J Velez-Ruiz	Universidad de las Americas Puebla	J Florian	Arla Foods
O Aghoghogbe	Arla Foods	P Adams	Ecolab
C Prendergast	Johnson Matthey plc	K Lukins	QCL
E Gundogdu	Gumushane University	P Evans	Volac International Ltd
S Handley	Arla Foods	J R Young	
R Puri	National Dairy Research Institute	R Wiseman	
T Tamas	Arla Foods	A McCarthy	Teagasc
G A Brighton	Arla Foods	S.N Rajagopal	

L Catley	Reaseheath College	R Greenall	Retired
M Matthewson	Arla Foods	RF Fairman	Farmflo
S Morbitzer	Arla Foods	J Mulvihill	Lakeland Dairies
J Husband	Arla Foods	R Trivett	Lovingtons Ice Cream
R Shingler	Arla Foods	A Bandini	Kantar Worldpanel
J Clark	Arla Foods	J Peña Alonso	
M Panczak	Arla Foods, Aylesbury	A P Patta	
R Mathenge	Arla Foods	E Popov	Dairy Crest

6. Treasurer's report

The Hon Treasurer, Alan Stack, presented the following report

For many years we have set a break even budget and recorded a small financial gain. This period has seen a reversal in our fortunes due to a £5,000 reduction in the value of our property in Huntingdon. However, this property continues to produce the same rental income on a quarterly basis.

The Society's activities continue to be popular and to operate with a surplus. Our continuing healthy cash position means that we can continue to meet our objectives and has allowed us to make a considerable investment in upgrading our web presence. The Society continues as a financially healthy organisation and these accounts are commended to you.

The accounts presented were proposed by Derek Pitman and seconded by John Sumner and were accepted by members.

7. Review of the Publications Committee activities

Andrew Wilbey, Chairman of the Publications Committee, presented the following report

In the year to July 2014, the Society continued to meet its major charitable objective – the provision of technical information.

The flagship publication, the International Journal of Dairy Technology met the target of 608 pages in 2013 for Volume 66, the target remaining at 608 for 2014. The number of papers being submitted has yet again increased and has required more demanding acceptance standards for publication. Despite this, there was a small dip in our impact factor for the journal, from 1.179 to 1.099. The shift from paper-based to electronic subscriptions has continued.

This has been a very difficult year for our editorial team, with Dr Ian McDougall suffering a long-term critical illness. We are extremely grateful to Dr John Tuohy for stepping into the editorial role and to Bhavbhutti Mehta for taking on an increased workload. Andrew Wilbey has also taken on an associate editorial role.

Milk and Dairy Products as Functional Foods, edited by Dr Ara Karekianian, was published in May 2014 as an extension to the Technical Series. It is also available as an E-book.

Cutting Cheese by Wire, written by Ian McDonald, is in the last stages of editing and will be added to the members' section of the website to complement the Dairy Technology Handbook and A History of the Development & Application of Whey Protein Concentrates. On-line publishing has kept costs down and will aid both updating and expansion of the information available to members.

Liz Whitley has also continued to edit our fourth publication strand, the Newsletter, providing members with additional news and information in a mix of paper and electronic publications. Thanks go to John Sumner, who has kept us informed about topics relating to milk production. We still need more short articles please.

Overall, this has been another successful year and I would like to record my thanks to all those involved, who have made our publications possible.

8. Appointment of Auditors for 2015-16

Critchleys LLP were proposed by Alan Stack and seconded by Paul Bouchier.

9. Any other business

Dr Tuohy thanked Richard Sheard for his years of service as Honorary Secretary and a Council member and for his advice over the years. He further reported that the health of Dr McDougall continues to improve.

The meeting closed at 10.00 a.m.

COUNCIL'S REPORT TO MEMBERS FOR 2015/2016

President's Review – Dr John Tuohy

The past year has been a busy time for the Society, with a busy schedule of events and activities that were well supported.

In July 2015, the annual Dinner of the Society was preceded by an afternoon speaker, Dr Kieran Kilcawley, who gave a most interesting and stimulating presentation on The Chemistry of Cheese Flavour. Later in the day around 40 members gathered for the Dinner, when our guest speaker was Nigel White, who recently retired as Secretary of the British Cheese Board. The Eden student awards were made to Kyle Allington and Joshua Bough. The Society is grateful to our sponsors for this event, Tetra Pak, Grundfos and SealedAir, without whom this event could not continue.

In October 25 students and staff from Reaseheath participated in a study tour organised by the Society. This visited Arla Foods Llandyrnog, Volac and Carmarthenshire Cheese Company and is a valuable insight into the industry for the new students on the Foundation Degree in Dairy Technology. This was closely followed by the Autumn Symposium, which was held in conjunction with last year's AGM at Askham Bryan College, York, on the important topic of *Current Food Safety Issues and Solutions*. It was attended by over 80 delegates and speakers at this event were Justine Wadge, Rosea Reynolds, Dr Phil Voysey, Dr John Holah, Andrew Carr and Nils Jacob Haaning.

In November of last year the Southern Ireland section held two events, organized jointly with Engineers Ireland. The first event was a live webcast hosted from the EI headquarters in Dublin on the management of large scale engineering projects in the dairy industry and was viewed by gatherings of both groups in Dublin and Cork as well as by individual members nationally. This was essentially a pilot exercise in the use of technology to extend the reach of events. Webinars are gaining more acceptance and it is important that we as a Society keep abreast of these developments. The second event was an evening meeting hosted by the Teagasc Food Research Centre at Moorepark on the topic of emerging process technologies for the dairy industry.

A very successful evening meeting was held in early February in UCC, also jointly with EI, to hear a case study of the new spray drier project at the Kerry Ingredients Charleville site. Also during February, the Northern Ireland Section in association with CAFRE held a very successful workshop at Loughry College on the implications of dairy intensification for water demand and wastewater treatment followed by a very interesting site visit to the Bioenergy and wastewater treatment plants at the Ballyrashane site of Lacpatrick Co-Op.

The Spring Conference returned to Reading University this year on the somewhat specialised subject of Probiotics. Delegates were treated to very authoritative presentations by subject leaders in the area as well as a very interesting tour of the Nutritional and Sensory sciences facilities. An excellent review of the proceedings, by Dr Linda Thomas will appear in the *International Journal of Dairy Technology*.

An innovation this year was the inaugural SDT/International Cheese Awards Student of the Year Award, which went to Chris Hay of Reaseheath College & Arla Foods for his dissertation on humidity control during the ripening of blue veined cheese. This award is a national award and ten Colleges and Universities were invited to participate.

In the 2016-17 year, we have already held a most successful symposium and annual Dinner, a full report of which can be found in the Newsletter. The annual two-day study tour will take place in October and this year will include visits to Muller-Wiseman Dairy, Severnside, Barber's Farmhouse Cheesemakers, Cotteswold Dairy and Dairy Crest Frome. Finally our Autumn Symposium on Food Safety will follow the AGM of the Society on the 9th of November at the Nottingham University School of Biosciences at Sutton Bonington.

The publication activities of the Society play an important role in the dissemination of the latest research and knowledge. The contribution of the Chairman, Mr. Andrew Wilbey and members of the Publications Committee towards maintaining the high output and standards of SDT publications is gratefully acknowledged. A review of the Committee's activities is contained within this report.

Significant upgrades to the website to integrate membership application, renewal and online payment have taken place and been consolidated resulting in improved access to members and sustainable operational efficiencies for the Society. Considerable consultation has taken place in relation to formulating a policy on the role of the Society in the recognition and validation of the CPD for the membership and I would like to thank Chris Edwards (Chairman) and the CPD committee for their contribution and look forward to a successful outcome to this important task.

It has been a great honour to serve as President of the Society of Dairy Technology for the past two years but it has also been a very interesting and most enjoyable term. I would like to thank all the officers and members of the Council for their commitment, energy and support over the past year. In particular the contributions of Mr. Soeren Vonsild (Senior Vice President), Mr. Alan Stack (Hon. Treasurer) and Dr Liz Whitley (Executive Director) have been remarkable.

Membership – Dr Liz Whitley, Executive Director

Membership continues to remain at just above 400 members at 404, with several members deciding not to renew their subscription.

New Members

The following 57 members applied to join the Society in the last year and were duly approved by Council during the year.

Luca Chiasserini		Damon Hewitt	Muller-Wiseman Eden 7
Alexandra Ntemiri	UCC student	Thomas Robinson	Arla Eden 7
Mark Fenelon	Teagasc	Connor Goodrum	Arla Eden 7
Philip Farndon	Lynher Dairy	Justina Skarulyte	Muller-Wiseman Eden 7
Essam Hebishy	UCC	Jessica Banthorpe	Arla Eden 7
Jan Ayar	CEM	Philip Halliwell	Arla Eden 7
Charlotte Gaskell	Muller Eden 7	Alex Hayward	Muller-Wiseman Eden 7
Lucy Pye	Arla Eden 7	Timothy Smith	Arla Eden 7
Francis Beechinor		Nils Jacob Haaning	Bactoforce
Steve Peace	Carmarthenshire Cheese	Philip Voysey	Campden BRI
Jennie Inman	QCL	Catherine White	Duchy College student
Nichola Dunbar	Arla Eden 7	Graham Morley	
Michelle Hamill	Arla Eden 7	Karina Damberg	
Laura Moulding	Little Town Dairy Eden 7	Teresa Hughes	Cropwell Bishop Creamery
Charlene Walker	Dairy Crest Eden 7	Rosea Reynolds	River Amble Creamery

Adam King	Dairy Crest Eden 7	Judith Abideen	Duchy College student
Aoife McGuirk	UCC	Lee Walsh	QCL
Alex James		Adele Owen	Trewithen Dairy
Kirsty MacDonald	Muller	Winston Burns	St Helen's Farm
Marie Ballard	Muller	James Blakemore	Reaseheath College
Serena Woolland	Muller	Debra Heritage-Brill	Reaseheath College
Dorota Burek	Muller	John Horsman	
Matthew Whitfield	Muller	Noel Sexton	Cybercolors
Michal Cwiertak	Muller	Alex Milne	AFCO
Terry Busby	Muller	Jonathan O'Sullivan	
Jason Bailey	Muller	Alan Baxter	Muller
Henry Cooke		Gary Ackrill	Long Clawson Dairy
Jim Greenfield	Rauschert	Paul Thomas	Wheymaker.com
		Jamie Stevenson	

Financial Position – Alan Stack, Honorary Treasurer

We have once again ended the year with a surplus after approving a budget with a small loss. This was largely due to increased Journal Royalties and reduced expenditure on our Website. This also meant we were able to cope with a small loss on our Symposia. In recent times these events have produced a surplus. We continue to manage the Society's finances prudently and will continue to invest in our "passion for Dairy" and to achieve the Society's charitable objectives. I commend these accounts to you.

Review of the Publications Committee activities– Andrew Wilbey, Chairman

In the year to July 2016, the Society continued to meet its major charitable objective – the provision of technical information.

The flagship publication, the *International Journal of Dairy Technology* met the target of 608 pages in 2015 for Volume 68, with the same target for 2016. The shift from paper-based to electronic subscriptions has continued, with satisfactory overall sales. Dr John Tuohy has continued as Editor, with Dr Bhavbhutti Mehta, Dr Ian McDougall and Andrew Wilbey as Associate Editors. The number of papers has continued at a high level and acceptance criteria have been toughened, with a more formal preliminary screening process to reduce the load on our referees. Unfortunately, there was a further small dip in the impact factor for the journal, from 0.943 to 0.912 for 2015. It is hoped that the changes made during the year will be reflected in a recovery of the impact factor over the following years.

The thirteenth book in the Technical Series, *Biofilms in the Dairy Industry*, edited by Koon Hong Yeh, Steve Flint, John Brooks and Geoff Knight was published in August 2015 and is also available as an E-book. The fourteenth book, on *Microbial Toxins*, edited by Dr Adnan Tamime, is currently in production and the second edition of *Probiotic Dairy Products* is on course.

An update of the *Dairy Technology Handbook* is in progress with new sections and will be available online in the next year.

Liz Whitley has also continued to edit our fourth publication strand, the *Newsletter*, providing members with additional news and information. This primarily electronic publication was produced at more frequent intervals and, as before, special thanks go to John Sumner, who has kept us

informed about topics relating to milk production. We still need more short articles and news items please.

Reports of SDT meetings and summaries of papers in *IJDT* have also been published in *Dairy Industries International*, helping further to disseminate technical information and raise awareness of the Society's activities.

Overall, this has been another successful year and I would like to record my thanks to all those involved, who have made our publications possible.

THE SOCIETY OF DAIRY TECHNOLOGY

**(A charitable company limited by guarantee not
having a share capital)**

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

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Charity Number: 1081615

Company Number: 3965383

THE SOCIETY OF DAIRY TECHNOLOGY
REPORT OF THE DIRECTORS

LEGAL AND ADMINISTRATIVE DETAILS

COMPANY NUMBER: 03965383

CHARITY NUMBER: 1081615

The Directors present their report together with the audited financial statements of the incorporated company for the year 1 July 2015 to 30 June 2016.

ADDRESS

The Society of Dairy Technology
Larnick Park
Higher Larrick
Launceston
PL15 9QH

DIRECTORS (who are Trustees of the Charity)

The Directors who held office during the year are given below:

A Stack	K J Burgess
R A Wilbey	I McDougall
I R Gordon	S J Walker (retired 11/11/15)
C E Askew	R G Sheard (retired 11/11/2015)
J Tuohy	N E Edwards
L Candido (appointed 11/11/2015)	B D Peacock
C E Edwards	S P Vonsild
	J Bough

OFFICERS

E J Whitley

AUDITORS

Critchleys LLP
Greyfriars Court
Paradise Square
Oxford
OX1 1BE

SOLICITORS

Peters, Langsford, Davies
Westgate
Launceston
Cornwall
PL15 9AD

BANKERS

Lloyds TSB plc
Victoria House
Southampton Row
London
WC1B 5HR

THE SOCIETY OF DAIRY TECHNOLOGY

REPORT OF THE DIRECTORS (continued)

STRUCTURE, GOVERNANCE AND MANAGEMENT

The company was incorporated on 5 April 2000 and is limited by guarantee with no share capital. The company is governed in accordance with its Memorandum and Articles of Association.

All Directors must be members of the Society. Directors are initially appointed by an election amongst the members. In addition, certain directors are appointed/co-opted by the existing directors.

The Directors have examined the major strategic, business and operational risks that the Charity faces and confirm that systems have been established to mitigate those risks.

OBJECTIVES AND ACTIVITIES

The charity's objects, as set out in its Memorandum and Articles of Association are the advancement of education in dairy science and technology, food technology and management of resources in all branches of the industry by the dissemination and application of knowledge gained from experience and experiment.

In pursuance of these objectives, the Society has hosted a number of activities during the year and these have been attended by members and non-members alike. In July, the Annual Dinner attracted over 100 members and guests and many of these attended an afternoon symposium preceding the dinner. In October, Eden Foundation Degree in Dairy Technology students and staff of Reaseheath College attended a study tour to Wales, organised by the Society. The AGM and Food Safety symposium was held at Askham Bryan, York and attended by over 80 members and non-members. The Spring Conference was held at Reading University and the Southern Ireland Section hosted two events this year. The Northern Ireland Section also hosted its first section event for a number of years.

Public Benefit

The Trustees of the charity have complied with the duty in section 17(5) of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission.

ACHIEVEMENTS AND PERFORMANCE

Attendance at events, as described previously, has been excellent this year and in addition to these events the *International Journal of Dairy Technology* continues to be published on a quarterly basis, again yielding increased revenue. The impact factor remains just under 1 and the editorial team and publications committee is working hard to improve this. The Technical Series of books continues to attract interest and new additions to this are in progress.

The Society continues to raise its profile amongst the industry with Council members working hard to attract new members. Contributions to the *Dairy Industries International* publication raise

awareness of our activities on a regular basis and once again, the Society took a stand at the Nantwich International Cheese Awards (ICA). In conjunction with the ICA, a new student competition was initiated this year, whereby students at a number of colleges and universities were invited to submit dairy related projects for judging. The winner is presented at the following ICA and will be reported on next year.

The Society continues to maintain links with Dairy UK; the International Dairy Federation; DairyCo; The Dairy Council; the Institute of Food Science and Technology and the Brewing Food and Beverage Suppliers Industry.

FINANCIAL REVIEW

The Society continues to operate with a surplus and is pleased that the Ermine Street property has a new ten year lease with its current tenants. Our continuing healthy cash position means that we can continue to meet our objectives.

Reserves policy

As at 30 June 2016 the unrestricted free reserves of the charity were £40,965.

The Society holds cash reserves to cover immediate needs, equivalent at the year-end at least to six months' expenditure. The former office at Huntingdon now provides an income for the Society and a reserve against major unforeseen costs. On 14 July 2015 the property was valued at £120,000 by Carter Jonas, Property Consultants.

THE SOCIETY OF DAIRY TECHNOLOGY

DIRECTORS' REPORT

DIRECTORS' RESPONSIBILITIES

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Under company law the Directors must not approve the financial statements unless they are satisfied that they 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 period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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 are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. 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.

So far as the Directors are aware, there is no relevant audit information (information needed by the company's auditors in connection with preparing their report) of which the company's auditors are unaware and each Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

This report has been prepared in accordance with the exemptions available to companies subject to the small companies' regime within Part 15 of the Companies Act 2006.

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K J Burgess
Honorary Secretary

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE SOCIETY OF DAIRY TECHNOLOGY

We have audited the financial statements of The Society of Dairy Technology for the year ended 30 June 2016 which comprise the Statement of Financial Activities, the Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the charity'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 charity's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and Auditor

As explained more fully in the Directors' Responsibilities Statement set out on page -16, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors, including APB Ethical Standard – Provisions Available for Small Entities (Revised), in the circumstances set out in note 1(a) to the financial statements.

Scope of the audit of the Financial Statements

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

Opinion of Financial Statements

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 30 June 2016 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;

- have properly been prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

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

Colin Mills (Senior Statutory Auditor)
for and on behalf of Critchleys LLP, Oxford

Statutory Auditor

THE SOCIETY OF DAIRY TECHNOLOGY
STATEMENT OF FINANCIAL ACTIVITIES
(including Income and Expenditure Accounts)
FOR THE YEAR ENDED 30 JUNE 2016

	Note	Unrestricted Funds £	Restricted Funds £	2016 Total £	2015 Total £
Income from:					
Charitable activities:					
Subscription income		14,174	-	14,174	14,249
Symposium / Events income		9,771	-	9,771	11,521
Journal royalties		24,532	-	24,532	22,076
Sponsorship		<u>2,273</u>	<u>-</u>	<u>2,273</u>	<u>1,200</u>
		50,750	-	50,750	49,046
Investments	2	<u>10,291</u>	<u>-</u>	<u>10,291</u>	<u>10,334</u>
Total income		<u>61,041</u>	<u>-</u>	<u>61,041</u>	<u>59,380</u>
Expenditure on:					
Raising funds					
Investment Management costs		2,218	-	2,218	-
Charitable Activities					
Support for the advancement of dairy science and technology	3	<u>56,359</u>	<u>-</u>	<u>56,359</u>	<u>59,602</u>
Total expenditure		<u>58,577</u>	<u>-</u>	<u>58,577</u>	<u>59,602</u>
Net income / (expenditure) before investment gains / losses		2,464	-	2,464	(222)
Net gains / (losses) on investments		<u>-</u>	<u>-</u>	<u>-</u>	<u>(5,000)</u>
Net income / (expenditure)		2,464	-	2,464	(5,222)
Total funds brought forward		<u>158,501</u>	<u>1,309</u>	<u>159,810</u>	<u>165,032</u>
Total funds carried forward	10	<u>160,965</u>	<u>1,309</u>	<u>162,274</u>	<u>159,810</u>

In 2015-16 all income and expenditure was unrestricted.

**THE SOCIETY OF DAIRY TECHNOLOGY
COMPANY NUMBER – 03965383**

**BALANCE SHEET
AT 30 JUNE 2016**

	Note	2016 £	£	2015 £	£
Fixed assets					
Investment property	4		120,000		120,000
Current assets					
Debtors	5	251		845	
Cash at bank and in hand		<u>54,986</u>		<u>47,801</u>	
		55,237		48,646	
Creditors: amounts falling due within one year	6	<u>(12,432)</u>		<u>(8,172)</u>	
Net current assets			<u>42,805</u>		<u>40,474</u>
Total assets less current liabilities			162,805		160,474
Creditors: amounts falling due after more than one year	7		<u>(531)</u>		<u>(664)</u>
Net assets			<u>162,274</u>		<u>159,810</u>
Represented by:					
Unrestricted income funds			160,965		158,501
Restricted income funds	9		<u>1,309</u>		<u>1,309</u>
Total funds	10		<u>162,274</u>		<u>159,810</u>

The financial statements were approved and authorised for issue by the Board of Directors

on..... and signed on its behalf.

.....K J Burgess (Honorary Secretary).....A Stack (Treasurer)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2016

I ACCOUNTING POLICIES

a) General information

The Society of Dairy Technology is a charitable company limited by guarantee incorporated in the United Kingdom. Its registered office is at Larnick Park, Higher Larrick, Launceston, PL15 9QW.

b) Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention except for the revaluation of investments, and include the results of the company's operations which are described in the Directors' report and all of which are continuing and in accordance with FRS102 the Statement of Recommended Practice (SORP) 'Accounting and Reporting by Charities' FRS102 and the Companies Act 2006.

There were no adjustments to the charity's balance sheet or Statement of Financial Activities on translation to FRS102.

In common with many charities of our size and nature we use our auditors to assist with the preparation of the statutory accounts.

There are no uncertainties about the charity's ability to continue as a going concern.

c) Income

Income is recorded on a receivable basis with any amount being received in advance included in deferred income. Subscription income represents the amounts to be considered to be recoverable for the year. Life subscriptions are written off by equal instalments over a 12 year period from the date of commencement of life membership.

d) Expenditure

Expenditure is included on an accruals basis. Costs directly attributable to managing investments and governance of the charity are included in costs of generating funds and governance costs. All other costs relate to the charity's sole activity and hence are included in charitable activities.

e) Investment property

Investment property is included at valuation. No depreciation is provided.

f) Fund accounting

Restricted funds are monies received for specific purposes. Unrestricted funds are available for the Trustees to use, at their discretion, in accordance with the objects of the charity.

2 INVESTMENT INCOME	2016	2015
	£	£
Rental income	10,000	10,000
Interest receivable	<u>291</u>	<u>334</u>
	<u>10,291</u>	<u>10,334</u>

3 SUPPORT FOR THE ADVANCEMENT OF DAIRY SCIENCE AND TECHNOLOGY	2016	2015
	£	£
Activities undertaken directly	54,659	57,952
Governance costs – auditors’ remuneration	<u>1,700</u>	<u>1,650</u>
	<u>56,359</u>	<u>59,602</u>

4 INVESTMENT PROPERTY	£
Valuation	
At 1 July 2015	120,000
Change in valuation	=
At 30 June 2016	<u>120,000</u>

This property had been valued by the Trustees on the basis of its open market value. On the 14 July 2015, the property was valued at £120,000 by Carter Jonas, Property Consultants and having taken professional advice the Trustees do not believe there has been any material change in value since then.

There is a lease on the property until 2026 with the rental income of £10,000 per annum.

5 DEBTORS	2016	2015
	£	£
Trade debtors	-	350
Other debtors – VAT	<u>251</u>	<u>495</u>
	<u>251</u>	<u>845</u>

6 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016 £	2015 £
Trade creditors	3,355	3,272
Life membership fund	133	133
Rent received in advance	2,500	2,500
Accruals	1,700	1,650
Deferred Income	<u>4,744</u>	<u>617</u>
	<u>12,432</u>	<u>8,172</u>

Deferred income consists of receipts for subscriptions, events and sponsorship received in advance. It is all released to income in the following financial year.

7 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2016 £	2015 £
Life membership fund	<u>531</u>	<u>664</u>

8 TRUSTEES' REMUNERATION AND RELATED PARTY TRANSACTIONS

E J Whitley, who is the Executive Director of the Society and classed as key management personnel, is a Director and 33% shareholder of Doverbeck Ltd. Doverbeck Ltd. charged the Society £32,950 (2015 £32,304) for services provided, £480 (2015 £nil) for storage, and £2,011 (2015: £2,119) for reimbursed expenses in the year. As at 30 June 2016 the Society owed Doverbeck Ltd £3,355 (2015 £3,272).

No other Trustees received any remuneration. Travel and subsistence expenses incurred of £1,737 (2015: £1,819) were, however, reimbursed to seven (2015: five) Trustees.

9 RESTRICTED FUNDS

	Memorial Fund £
Balance brought forward	1,309
Incoming resources	-
Resources expended	-
Balance carried forward	<u>1,309</u>

The Memorial Fund represents a fund set up in memory of deceased members. This is to be used to make awards for travelling to international symposia.

10 ANALYSIS OF NET ASSETS BETWEEN FUNDS

	Unrestricted £	Restricted £	Total £
Investments	120,000	-	120,000
Net current assets	41,496	1,309	42,805
Creditors: amounts falling due after more than one year	<u>(531)</u>	-	<u>(531)</u>
	<u>160,965</u>	<u>1,309</u>	<u>162,274</u>