

LINKING ENVIRONMENT AND FARMING

England & Wales · Charity number 1045781

Details

Other names	L E A F
Status	Registered
Legal form	Charitable company
Company number	03035047
Registered	1995-04-12
Register	View on the Charity Commission register

Contact

Address	Bragborough Hall Business Centre Welton Road Braunston Daventry Northamptonshire NN11 7JG
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Activities

Objects: THE CHARITY'S OBJECTS ("THE OBJECTS") ARE IN THE UNITED KINGDOM AND THROUGHOUT THE WORLD TO PROMOTE AND IMPROVE AGRICULTURE, HORTICULTURE AND OTHER TYPES OF FARMING AND RAISE STANDARDS OF PRACTICE IN FARM MANAGEMENT FOR THE PUBLIC BENEFIT, IN PARTICULAR BY THE PROMOTION AND ADVANCEMENT OF THE EDUCATION OF FARMERS AND THE GENERAL PUBLIC CONCERNING METHODS OF FARM MANAGEMENT WHICH CONSERVE AND ENHANCE THE FABRIC AND WILDLIFE OF THE COUNTRYSIDE.

Activities: The Charity's objects are in the United Kingdom to promote and improve agriculture and raise standards of practice in farm management for the public benefit by the promotion and advancement of the education of farmers and the general public concerning methods of farm management which conserve and enhance the fabric and wildlife of the countryside.

Classification

- **How:** Provides Advocacy/advice/information
- **What:** Environment/conservation/heritage
- **Who:** The General Public/mankind

Geography

- **Area of benefit:** UNITED KINGDOM AND THROUGHOUT THE WORLD
- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2025-03-31	£3,249,610	£2,991,951	£1,619,592	39
2024-03-31	£2,759,954	£2,583,149	£1,361,933	40
2023-03-31	£2,072,555	£2,206,075	£1,185,128	35
2022-03-31	£2,005,967	£1,767,685	£1,302,998	26
2021-03-31	£1,699,828	£1,376,066	£1,064,716	20

Trustees

Name	Role	Appointed
Anna Maria Dugdale		2024-12-16
Caroline Mary Mason		2023-09-01
Christopher Jake Freestone		2024-12-16
Dr John Hereward Wake		2024-12-16
Ian Robert Mace		2026-03-23
John Matthew Renner		2024-09-29
MR Thomas Michael Curtis Green		2018-01-29
Michael Frank Young		2019-08-01
PHILIP GRAHAM WYNN		2017-07-19
Professor Richmal Jane Rickson		2020-02-03

LINKING ENVIRONMENT AND FARMING

England & Wales - Charity number 1045781

Accounts

LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

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LINKING ENVIRONMENT AND FARMING (A COMPANY LIMITED BY GUARANTEE)

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 MARCH 2025

The Chairman Presents his statement for the year.

On behalf of the Board of Trustees, I am pleased to present the Annual Accounts for LEAF (Linking Environment And Farming) for the financial year 1st April 2024 to 31st March 2025

This year has been one of both resilience and growth for LEAF, as we continue to play a pivotal role in supporting farmers to transition to more sustainable farming practices and educating young people and the public about sustainable farming. Our efforts to advocate for sustainable farming have never been more critical, and as we look ahead, I am confident that LEAF continues to be very well-positioned to drive positive change for both the environment and the agricultural community.

Operational Highlights

Over the course of this financial year, LEAF has made significant strides in advancing our mission to promote integrated farming systems that benefit both the environment and farm businesses. Key highlights include:

Expansion of LEAF Marque Certification: We continue to see strong growth in the uptake of LEAF Marque as our retailer partners including Tesco, Waitrose, Aldi, Asda and Lidl continue to roll out certification across their global fresh produce supply chains. Our standard is now implemented in over 48 countries with LEAF Marque uptake growing very significantly.

Evolving the LEAF Marque Standard: During this financial year we conducted two public consultations on the LEAF Marque Standard and published a revised version with stronger clarity on requirements for a range of global farming contexts, including regenerative farm management practices, and reduced areas of duplication. In addition, we are investing heavily in the development of a new IT management platform for LEAF Marque, which will be launched later in 2025.

Escalating our Grower Support: As we extend our reach across the world, our priorities are firmly set on ensuring our services are relevant to a globally diverse audience. As part of this commitment, at the end of 2024, we launched a new online training course offering a self-paced, flexible learning environment covering the essentials of becoming LEAF Marque certified – available in five languages.

Engagement with Financial Services Sector: We were delighted to launch two pioneering new programmes with HSBC UK and Oxbury Bank – offering preferential loan arrangement fees for LEAF Marque growers. Our aspiration is that these partnerships act as a model for other financial service providers to work with accredited environmental assurance schemes like LEAF Marque, to build the commercial case for farmers to engage with Integrated Farm Management practices.

Increased Educational Outreach and Public Engagement: Our educational outreach continues to grow, with an expanding team working with more young people in primary and secondary education and providing CEVAS training to enable farmers to facilitate high quality educational visits. Our flagship event, Open Farm Sunday, now in its 19th year, has welcomed over 3.25 million visitors, fostering public trust and engagement. In June 2024 we welcomed over 180,000 visitors to 241 events across the UK.

Research and Innovation: Through the LEAF Network, we continue to engage with leading agricultural research centres, exploring new methods and technologies that enable farmers to improve efficiency, productivity, and environmental outcomes. We were delighted to welcome the Warwick Crop Centre, UK Centre for Ecology and Hydrology and Huntapac Produce Ltd to our Network.

Industry Partnerships: Our focus on demonstration and innovation has led to several new collaborative research projects with UK and global partners, aimed at tackling the most pressing challenges in sustainable agriculture today. Most notably, our continued involvement in a major on-farm trial and research project funded by the UK Government, to increase our understanding of the potential for legumes to serve as an alternate source of nitrogen within grassland farming systems.

We also continue to work with EU partners on a diverse range of projects exploring the potential of agroforestry systems, cover crops and novel legume varieties to deliver positive environmental outcomes. In addition we were also delighted to announce our project support for with Waitrose's flagship Farming for Nature programme exploring how regenerative farm management practices can be applied across several different and diverse farming sectors.

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**CHAIRMAN'S STATEMENT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

Financial Performance

Despite the challenging economic environment, LEAF has maintained a solid financial position. We have successfully diversified our revenue streams and increased our funding from membership fees, grants, and partnerships. This stability has allowed us to reinvest in our core programs and continue to deliver high-impact initiatives.

Our financial results reflect both the strategic growth we have experienced and our commitment to ensuring that funds are used effectively to achieve our mission.

Looking Ahead

As we look forward to the coming year, LEAF remains dedicated to supporting the farming community through its transition to more sustainable practices. We will continue to advocate for policies that enable farmers to succeed while preserving our natural resources, as well as investing in programs that help farmers meet the ever-increasing demands of a rapidly changing climate.

We also remain committed to expanding the reach and impact of LEAF Marque certification, as it is an essential tool in driving sustainability across the sector. The future of farming is one where environmental responsibility is not just a choice, but a requirement, and LEAF will continue to be at the forefront of that transition.

In conclusion, I would like to express my gratitude to our trustees, members, partners, and staff for their unwavering commitment and hard work. LEAF's continued success is a direct result of their dedication and passion for sustainable agriculture.

I am confident that, together, we can look forward to another year of progress as we work towards a more sustainable and resilient agricultural future.



P G Wynn
Chair of Trustees

Date: 17/09/2025

TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

These are consolidated accounts representing the “Group” which comprises the financials for LEAF the “Charity” and LEAF Marque. Where “Charity” is mentioned the figures relate purely to the Charity. LEAF Marque also has separate audited accounts that are then incorporated in the “Group” figures. LEAF Marque accounts are also audited, reviewed, and subsequently approved separately by the LEAF Marque Board

KEY ACHIEVEMENTS AND PERFORMANCE: Financial Year Ending 31 March 2025

The charitable purpose of LEAF (Linking Environment and Farming) is to facilitate the understanding and adoption of more sustainable farming practices

We Connect

LEAF brings together farmers, researchers, and industry leaders to explore and apply best practice in sustainable farm management (Integrated Farm Management IFM) - tailored to the unique context of every farm. A central pillar of this work is our LEAF Network of Demonstration Farms and Innovation Centres, which drives forward cutting-edge science, technology, and innovation to scale up more sustainable global farming and food systems.

Our Innovation Centres — some of the UK’s leading agricultural research institutions generate the evidence that underpins sustainable farming practices. This research informs the development and continuous improvement of farming systems that work for both people and planet. Working in tandem, our network of over forty Demonstration Farms brings this science to life, trialling practices on the ground and sharing insights through on-farm events, training, and peer-to-peer learning — helping to advance the uptake of Integrated Farm Management (IFM) practices at pace and scale.

Key achievements this financial year include:

- The further expansion of the LEAF Network. Huntapac – one of the UK’s largest LEAF Marque certified carrot and parsnip producers became LEAF’s 41st Demonstration Farm. We also welcomed two new Innovation Centres into the LEAF Network - Warwick Crop Centre – an internationally recognised leader in the field of Integrated Pest Management and disease management, with applied research ranging across crop genetics, biopesticides, soil health and environmental management. And the UK Centre for Ecology and Hydrology – with expertise in sustainable ecosystems, pollution prevention and building resilience to environmental change.
- Looking ahead, we have selected our first overseas LEAF Demonstration Farm in South Africa with plans to launch in September 2025. This will signal the start of strengthening the reach of our Network to support our growing international membership base.
- Ongoing collaboration with industry partners including Corteva Agriscience on the Resilient & Ready programme; Vitacress Farm Excellence; Catchment Sensitive Farming, the Farmers Weekly Transition programme, the Jordans Farm Partnership. We were delighted to welcome our Honorary President HRH The Duchess of Edinburgh to Jordans Cereal for a ‘Farm to Bowl’ tour where she saw firsthand the impact of the Partnership on biodiversity and ecosystem gains.
- Our work on a number of retailer led projects continues including the Coop Foundations Journey to Net Zero project, Marks and Spencer Farming With Nature, and we also announced our involvement in Waitrose’s groundbreaking Farming For Nature programme supporting the roll out of regenerative farming practices across their wider supply chain.
- Ongoing involvement in a number of significant EU and UK funded multi-stakeholder projects investigating at a broad range areas from unlocking the potential of cover crops with our Showcase partners, exploring agroforestry systems, learning more about effective integrated Pest Management (IPM) strategies, exploring the role of legumes in reducing the reliance on synthetic fertilisers and supporting farmers on their journey to net-zero.
- In May 2024, a new industry leading project was launched to help farmers reduce agricultural emissions – ‘Nitrogen Efficient Plants for Climate Smart Arable Cropping Systems’ (NCS). This is a four-year research project involvement 200 UK farms and 17 industry partners – of which LEAF is one.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

- In its third year, the Beacons of Excellence programme focused on Sustainable Water Management, continuing to drive cross-sector collaboration and innovation. A major highlight was the annual Beacons of Excellence event, held on 11th June 2025 at the UK Centre for Ecology and Hydrology (UKCEH) in Wallingford. The event brought together over 40 attendees, including farmers, researchers, funders, and policymakers, to share knowledge, tools, and practical solutions for water resilience in UK agriculture. Key sessions featured expert talks from Beacon farmers and researchers covering topics from irrigation, water scheduling to the use technology, as well as interactive workshops on soil and water monitoring tools, and live demonstrations of decision-making platforms like E-Planner, developed at UKCEH.
- This year's programme also delivered two videos at Home Farm Nacton and Court Farm Partnership, showcasing innovative on-farm water practices and harnessing their wider social impact. Additionally, updated case studies from ten Beacon Farms and Innovation Centres were published on LEAF's website, highlighting practical approaches to water use across diverse farming systems, in a bid to inspire others. The project's impact has extended beyond its direct participants, strengthening peer-to-peer learning networks, supporting knowledge exchange, and empowering farmers with tangible tools, resources, and inspiration to adopt sustainable water practices on their own farms.
- Our annual conference brought together different global perspectives around climate change adaption, the role of agri-tech and finance to create the enabling conditions for change. The keynote addresses were given by Dr Douglas Gurr, Director, The Natural History Museum and Sarah Bradbury, CEO, Institute of Grocery Distribution.
- Central to our knowledge exchange work is empowering farmers to adopt Integrated Farm Management (IFM). Through practical tools, training, and access to best practice. This year, our support has included:
 - Updating our 'Simple Steps' guidance booklets covering water, soil, biodiversity, IPM, and regenerative agriculture.
 - Delivering 'Speak Out' training to improve communication skills among project farmers and stakeholders.
 - Hosting webinars and LEAF Surgeries on topics such as biodiversity, soil health, and water management.
- Publishing two videos with Catchment Sensitive Farming on climate resilience and slurry management.
- We have attended and exhibited at a diverse range of events and conferences this year including the Low Carbon Agriculture Show, the first Farmers Weekly Transition Live event at Park Farm in Cambridge, Arable Scotland and Groundswell.

We Build Trust

We provide assurance that growers are farming more sustainably through our independently audited LEAF Marque certification; from the health of their soils to how they engage with local communities.

Key achievements include:

Retailer Engagement and Sector Leadership:

- Widespread Retail Adoption: LEAF Marque is now being used by most of the UK's leading retailers to support their sustainability objectives.
- Tesco Partnership: Tesco has made a significant commitment to implement LEAF Marque across its entire global fresh produce supply chain, accelerating the shift towards the application of integrated farm management principles on a substantial international scale.
- Retail Sector Impact: Growing consumer demand for sustainability is driving transformative change in the sector, supported by committed growers and retailers.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

Farming for Nature: Partnership with Waitrose

- Announced our involvement in the Waitrose Farming for Nature programme, which builds on the long-standing partnership. The project will see all Waitrose UK farms become LEAF Marque certified, reaching net zero by 2035, and their entire global supply chain by 2050. The programme will:
 - Support 2,000 UK Waitrose suppliers across multiple sectors (beef, dairy, pig, poultry, fresh produce, and glasshouse) to transition to more regenerative farming systems by 2026.
 - Establish 8 satellite farms across the UK (including Leckford Estate, a LEAF Demonstration Farm) to trial, develop, and share best practice.
 - Offer 5 LEAF guidebooks on carbon, soil, water, biodiversity, and IPM.

Financing the Transition to Sustainable Farming

- In partnership with HSBC UK, we launched the HSBC Sustainable Farming Pathway, offering discounted loan arrangement fees to LEAF Marque certified farms or those in the process of certification.
- Oxbury Bank also announced a preferential lending offer for LEAF Marque certified farmers, supporting them with access to tailored finance for sustainable on-farm improvements.
- These partnerships aim to unlock private finance to accelerate the transition to regenerative agriculture, boost climate resilience and help promote biodiversity restoration
- Together, they demonstrate the critical role of green finance in scaling up sustainable farming practices and driving long-term food system transformation.
- We are firmly focused on working with our partners to develop innovative and practical solutions to support farmers, and hope that this pioneering new programme will act as a model for other financial service providers to work with assurance schemes like LEAF, to build the commercial case for farmers to engage with Integrated Farm Management practices.

Global Support and Training Expansion

- LEAF is now supporting a broad range of businesses on ambitious programmes that have the capacity to drive significant changes in management practices globally, at pace and scale. We now work with most of the main food retailers in the UK as they adopt LEAF Marque certification to accelerate their own sustainability targets. Our standard is implemented in over 50 countries with LEAF Marque uptake growing at 80% year on year.
- As we increasingly seek to engage with more growers and partners in different geographies, our priority is to incorporate this diversity into our governance and management structures so that we engage more meaningfully with a wider range of partners and stakeholders.
- We have invested heavily in the development of a new online training course which was launched this year, to support global LEAF Marque uptake. It is available in English, Spanish, French, Italian, and Portuguese.
- We remain firmly focused on equipping farmers with the knowledge and confidence to adopt agroecological and climate-positive practices globally.

Evolving the LEAF Marque Standard

- A significant focus during this financial year has been the review and update of the LEAF Marque Standard to ensure relevance and alignment with global best practices.
- We have carried out extensive stakeholder engagement involving two public consultations and a series of interactive webinars covering topics like soil health, plant protection, waste management, energy, and landscape planning.
- Based on extensive feedback, work has been carried out around ensuring greater clarity of requirements, reduced duplication and improved applicability across different global farming contexts, including producer groups, rented land, and protected cropping. The updated LEAF Marque Standard will be published in October 2025.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

- A significant investment has been made in a new and improved LEAF Sustainable Farming Review (LSFR) IT platform, designed to enhance the experience for farming businesses working towards and maintaining LEAF Marque certification. The upgraded IT platform will offer a more intuitive interface, better functionality, and stronger support for sustainability progress, continuous improvement, and audit readiness. It will be launched in July 2025 and marks the start of ongoing developments, with future enhancements planned to help businesses more effectively measure, manage, and improve their sustainability performance through the application of technology.

We Educate

Key achievements include:

- Over 966,000 people benefitted from LEAF Education delivery, training and resources over the year, supporting our mission to connect young people and wider society with farming, food production, and the natural environment. This included tailored engagement in schools, on-farm learning, resource development, and teacher training.
- Our team of LEAF education specialists worked with young people on farms and in schools, supporting them with hands-on experiences that nurtured a deeper understanding of sustainable farming practices, climate change, biodiversity, and food systems.
- We provided training and support for teachers to equip them with the knowledge and confidence to embed sustainable farming topics, around IFM, into curriculum-linked teaching. As a result, 98.7% felt more confident linking farming, food and the environment to subjects like science, geography, and PSHE.
- LEAF Education's regional programme in the West Midlands reached over a thousand young people from diverse backgrounds. Activities included farm visits and workshops on sustainable farming and food choices.
- A comprehensive suite of A-Level teacher and farmer resources were developed in partnership with AHDB, covering biology, geography, environmental science and business studies. These resources, designed for both classroom and on-farm learning.
- Our aspiration-raising programme, funded by the Royal Warrant Holders Association Charity Fund, supported 40 teenagers to explore careers in the land-based sector. Participants visited a range of farming businesses, many LEAF Marque certified.
- LEAF's primary schools' competition 'All for Farm and Food for All' saw eight finalist schools visit farms, with the overall winner receiving a bespoke educational farm experience. Teachers reported significant increases in pupil awareness of biodiversity, sustainable farming, and climate-positive action.
- Our National Secondary School Competition welcomed students from across England and Wales to a residential final at Myerscough College's working farm.
- Farmer engagement and training continued to grow, with over 700 farmers receiving training and support to host safe, engaging and curriculum-aligned educational visits. We delivered 25 Countryside Educational Visits Accreditation Scheme (CEVAS) courses, 11 of which were funded through Defra's Farming in Protected Landscapes (FiPL) scheme. A total of 198 farmers attended CEVAS training, and 169 achieved accreditation.
- The Countryside Classroom platform, managed by LEAF Education and supported by 34 national organisations, grew significantly this year. Website traffic rose by 31% to 350,000 visitors, with increases of 68% in blog views and 19% in newsletter signups. The platform remains a vital hub for resources, careers advice, and sustainability education.
- Open Farm Sunday 2024 marked its 18th anniversary, with over 180,000 people visiting 225 farms across the UK to learn more about sustainable British food and farming. Visitor feedback was overwhelmingly positive.
- A new strategic direction for Open Farm Sunday was launched to strengthen public understanding of the role of sustainable farming in tackling climate change, nature recovery, and food security.

Governance

LEAF's Board of Trustees is responsible for the overall Governance of the charity. 6 board meetings have been held, together with weekly meetings of the Executive Leadership Team made up of the LEAF CEO and three Directors.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

FINANCIAL REVIEW

As the Charity expected to see further significant growth following the adoption of the LEAF Marque Assurance System by major retailers and brands, it took a decision based on the strength of its reserves to further invest in personnel, resources and IT systems to ensure it was positioned to deliver for that growth whilst accepting a budget that could result in a minor surplus of £1,100 in the 2024/25 financial year.

In the end, the Charity has experienced an increase in its income this year resulting in a positive net movement of funds of some £257,659 (revenue of £2,991,95 versus £2,583,149 in 2024) and although expenditure was relatively well controlled the resulting surplus is mostly as a result of the subsidiary exceeding expectations. The Charity's trading subsidiary continues to grow and is increasingly a primary driver of income growth and experienced an accelerated surge of growth in the demand for LEAF Marque Certification in the year and as a result significantly contributed to the final net surplus for the Charity in 2024/25.

The charity looks to use the budget as one of its main key performance indicators and any improvement in income or reduction in expenditure is looked upon favourably and presents opportunities to support its investment in its ambitious growth strategy. Whilst the net surplus is positive, the Trustees are also clear that continued and significant investment of reserves in IT and people in particular, will be required to ensure LEAF retains its prominence and position and continues to be seen as an industry leader.

LEAF Marque Limited made a profit of £Nil (2024: £Nil) during the year, after a significant gift aid donation to LEAF of £271,103 (2024: £104,206), giving rise to net assets of £5,083 (2024: £5,083).

Insurance

Insurance has been taken out by the charity under Section 232(2) of the Companies Act 2006, costing £1,629.60 (2024: £1,760) for its trustees and officers against liabilities in relation to the charity.

Reserves

The Trustees have set a reserves policy which requires reserves to be maintained at a level which ensures LEAF's core activity could continue during a period of unforeseen difficulty (of not less than 3months) and reserves be maintained in a readily realisable form. The calculation of the required level of reserves is an integral part of the organisation's planning, budget, and forecast cycle. It considers risks associated with each stream of income and expenditure being different from that budgeted, planned activity levels and the organisations commitments. The reserves levels are closely monitored as part of the management reporting and Trustees will adjust policy dynamically by resolution in line with the associated risks. The current reserves policy aims for minimum free reserves of £582,000.

Investment policy

Any surplus funds are placed on short term high interest deposit.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies (Note 2.2).

PLANS FOR FUTURE ACTIVITIES

Plans for Future Activities

As farming undergoes a period of significant transformation, LEAF is committed to playing a central role in supporting the agricultural transition towards more sustainable, climate-resilient, and regenerative food systems. Our plans for the year ahead reflect this ambition and build on over three decades of experience in connecting farmers, food businesses, educators, and the wider public.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025

In 2025, LEAF will:

- **Improve impact measurement**, with a particular focus on generating and sharing evidence on innovative production approaches. We will publish research to demonstrate how Integrated Farm Management delivers environmental and business benefits at scale.
- **Provide Global Support**. With LEAF Marque now operating in over 50 countries and global uptake accelerating, we will strengthen our branding, governance, and partnerships to position LEAF as a trusted leader in sustainable farming worldwide.
- **Review and enhance our membership offer**, ensuring it meets the evolving needs of farmers, and industry partners in the UK and internationally. We will consult with members to better understand their priorities, improve access to tailored support, resources, and training, and provide greater value through clearer benefits, networking opportunities, and recognition. This review will also inform how we align our membership structure with our repositioning as LEAF Global.
- **Enhance our knowledge exchange programmes** through our national network of Demonstration Farms and Innovation Centres. These platforms will be key in sharing practical, evidence-based solutions to sustainable land management and farming practices.
- **Expand the adoption of LEAF Marque certification and Integrated Farm Management (IFM)** across a broader range of farming sectors and supply chains. Building on our strong foundations in arable and horticulture, we will work closely with partners, retailers, and certification bodies to engage more livestock, dairy, and mixed farming enterprises. This expansion will help embed sustainable practices more widely, strengthen supply chain resilience, and support the delivery of measurable environmental outcomes across multiple sectors.
- **Invest in data and digital tools**, including the further development of the LEAF Marque data management platform, to support a growing global membership and improve reporting, benchmarking, and supply chain transparency.
- **Build on cross-sector collaborations**, including with food retailers, financial services, environmental organisations and academia. Strategic partnerships, such as with HSBC and The Jordans Farm Partnership, will help us promote farmer recognition, reward mechanisms, and drive investment in sustainable practices.
- **Strengthen educational and public engagement outreach**, expanding work with young people and citizens to deepen understanding of food, farming, and the environment. We will continue to deliver training programmes to and develop resources to equip more farmers to host high-quality, curriculum-linked visits, while scaling our flagship initiative, Open Farm Sunday, with the aim of engaging over 200,000 visitors across 300 farms.

We are proud of the strong foundations that have brought LEAF to this point and recognise that real change happens through collaboration. As we look ahead, we remain focused on enabling transformation across the food system—through knowledge, partnerships, and action on the ground.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2025**

FUNDRAISING

LEAF is pleased to report it continues its commitment to fundraising best practice and remains registered and compliant with the Code of Fundraising Practice and continues to display the regulator's logo (demonstrating we operate in a way that is legal, open, honest and respectful). We are listed in the regulators public directory to LEAF has continued to be registered and compliant with the standards of the Fundraising Regulator. Fundraising is specifically limited to on line individual web-based donations and handwritten bids by experienced long established fundraisers. All written bids are scrutinised and approved by the Executive leadership and Trustees. The Trustees attend and monitor a range of activities and receive regular feedback and reports on all activities and have sight of all funded activity reports. Neither the fundraisers or LEAF is bound by any voluntary schemes and is delighted to report it has once again received no complaints about its charitable activities nor its fundraising activities. . In terms of protection of vulnerable people and members of the public, LEAF restricts its fundraising to online web based personal donations and written targeted bids to organisations and not individuals. There is no face-to-face fundraising in either public or private spaces.

Approved by order of the members of the board of Trustees and signed on their behalf by:



P G Wynn
Chair of Trustees

Date: 17/09/2025

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING

OPINION

We have audited the financial statements of Linking Environment And Farming (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2025 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 Financial Reporting Standard 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 Group's and of the parent charitable company's affairs as at 31 March 2025 and of the Group's incoming resources and application of resources, including its income and expenditure 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 and the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

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

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

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING
(CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees 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 Trustees are responsible for assessing the Group's and the parent charitable 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 Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING
(CONTINUED)**

AUDITORS' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management and the board about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in
- the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the company for fraud, which included incorrect recognition of revenue and management override of controls using manual journal entries, and these were identified as the greatest potential area for fraud.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that Linking Environment and Farming operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included FRS 102, the UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included relevant product safety standards, occupational health and safety regulations and employment legislation.

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING
(CONTINUED)**

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of management and those charged with governance concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

USE OF OUR REPORT

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Wood FCCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming Audit Limited

Chartered Accountants

Senior Statutory Auditors

1-3 College Yard

Worcester

WR1 2LB

Date: 21 November 2025

LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)**
FOR THE YEAR ENDED 31 MARCH 2025

	Note	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from:					
Donations and legacies	4	151,394	-	151,394	163,308
Charitable activities	5	2,579,238	17,100	2,596,338	2,325,891
Other trading activities	6	501,582	-	501,582	270,749
Investments	7	296	-	296	6
Total income		3,232,510	17,100	3,249,610	2,759,954
Expenditure on:					
Raising funds		1,787	9,000	10,787	166,543
Charitable activities	8	2,928,721	52,443	2,981,164	2,416,606
Total expenditure		2,930,508	61,443	2,991,951	2,583,149
Net movement in funds		302,002	(44,343)	257,659	176,805
Reconciliation of funds:					
Total funds brought forward		1,177,654	184,279	1,361,933	1,185,128
Net movement in funds		302,002	(44,343)	257,659	176,805
Total funds carried forward		1,479,656	139,936	1,619,592	1,361,933

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 19 to 39 form part of these financial statements.

LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03035047

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Intangible assets	13	135,410	90,849
Tangible assets	14	39,922	56,089
Investments	15	321	321
		<u>175,653</u>	<u>147,259</u>
Current assets			
Debtors	16	942,225	1,058,466
Cash at bank and in hand		926,913	477,026
		<u>1,869,138</u>	<u>1,535,492</u>
Creditors: amounts falling due within one year	17	(425,199)	(320,818)
Net current assets		<u>1,443,939</u>	<u>1,214,674</u>
Total net assets		<u><u>1,619,592</u></u>	<u><u>1,361,933</u></u>
Charity funds			
Restricted funds	20	139,936	184,279
Unrestricted funds	20	1,479,656	1,177,654
Total funds		<u><u>1,619,592</u></u>	<u><u>1,361,933</u></u>

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

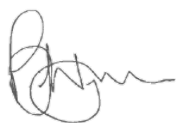
The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



P G Wynn
Chair of Trustees

Date: 17/09/2025

The notes on pages 19 to 39 form part of these financial statements.

LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03035047

CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2025

	Note	2025 £	2024 £
Fixed assets			
Intangible assets	13	135,410	90,849
Tangible assets	14	39,922	56,089
Investments	15	322	322
		175,654	147,260
Current assets			
Debtors	16	1,145,273	1,109,078
Cash at bank and in hand		698,604	409,488
		1,843,877	1,518,566
Creditors: amounts falling due within one year	17	(405,021)	(308,975)
Net current assets		1,438,856	1,209,591
Total net assets		1,614,510	1,356,851
Charity funds			
Restricted funds	20	139,936	184,279
Unrestricted funds	20	1,474,574	1,172,572
Total funds		1,614,510	1,356,851

CHARITY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2025

The Charity's net movement in funds for the year was £257,658 (2024: £176,805).

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

P G Wynn
Chair of Trustees



Date: 17/09/2025

The notes on pages 19 to 39 form part of these financial statements.

LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2025

	2025 £	2024 £
Cash flows from operating activities		
Net cash used in operating activities	359,685	(102,004)
Cash flows from investing activities		
Investment income	296	6
Purchase of intangible assets	(61,971)	(73,758)
Purchase of tangible fixed assets	(3,313)	(17,461)
Net cash used in investing activities	(64,988)	(91,213)
Cash flows from financing activities		
Cash inflows from new borrowing	150,000	-
Interest element of hire purchase contracts	-	(536)
Net cash provided by/(used in) financing activities	150,000	(536)
Change in cash and cash equivalents in the year	444,697	(193,753)
Cash and cash equivalents at the beginning of the year	477,025	670,778
Cash and cash equivalents at the end of the year	921,722	477,025

The notes on pages 19 to 39 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

1. GENERAL INFORMATION

Linking Environment and Farming is a charitable company limited by guarantee incorporated in England & Wales and domiciled in England.

The registered office is National Agricultural Centre, Stoneleigh Park, Kenilworth, Warwickshire, CV8 2LG. The charitable company's registered number is 03035047.

In the event of the charity being wound up, each member has undertaken to contribute towards its liabilities a sum of not exceeding ten pounds.

The charity is registered as a charity, no 1045781, with the Charity Commission and is exempted from Corporation Tax on its income in the year.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Linking Environment And Farming meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The presentation currency for the group and the charitable company during the year was Sterling, and are rounded to the nearest £.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking, LEAF Marque Limited, for the year. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 GOING CONCERN

The Trustees have reviewed all information available to them and do not consider there to be any significant doubts about the charitable company's ability to continue as a going concern. These financial statements have therefore been prepared on this basis.

The Trustees have prepared budgets and cash flow forecasts to for a period of at least 12 months following the date of approval of the financial statements. The Group has a net asset value as at 31 March 2025 of £1,498,391 (2024: £1,361,933) and cash at bank and in hand of £921,722 (2024: £477,026). On this basis the financial statements have been prepared on a going concern basis.

2.3 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

2. ACCOUNTING POLICIES (continued)

2.3 FUND ACCOUNTING (CONTINUED)

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.4 INCOME

Voluntary income including donations and grants that provide core funding or are of a general nature are recognised when there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income is only deferred when the donor specifies that the grant or donation can only be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is accounted for when receivable.

Commission/membership income is accounted for, in full, when received.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.5 EXPENDITURE

Expenditure is recognised on an accruals basis when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied.

Support costs include central functions.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

2. ACCOUNTING POLICIES (continued)

2.6 INTANGIBLE ASSETS AND AMORTISATION

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets are amortised on a straight line basis over their estimated useful life. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The estimated useful lives are as follows:

Website development	- 3 years
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2.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged by equal annual instalments commencing with the date of acquisition at rates estimated to write off their cost less any residual value over their expected useful lives which are as follows:

Long-term leasehold property improvements	- Over the life of the lease
Furniture and equipment	- 3 - 10 years

2.8 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

2.9 INVESTMENTS

Fixed asset investments are a form of financial instrument and are recognised at mid-market value at the balance sheet date.

2.10 RETIREMENT BENEFITS

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2.11 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2. ACCOUNTING POLICIES (continued)

2.12 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

2.13 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.14 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.15 LIABILITIES

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt after allowing for any trade discounts due or the amount it has received as advanced payments for the goods or services it must provide.

2.16 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Financial assets and liabilities that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

Financial assets and liabilities that are measured at fair value are determined using active market rate.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGMENT

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

Estimated useful lives of tangible fixed assets

In determining the estimated useful life the Charity considers the expected physical wear and tear of the asset that could lead to obsolescence of the asset. Each year the charity reviews the above to establish if there is any change in the expected useful life of tangible assets.

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Donations	151,394	151,394	163,308
	<u>151,394</u>	<u>151,394</u>	
TOTAL 2024	163,308	163,308	
	<u>163,308</u>	<u>163,308</u>	

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Membership renewals	1,036,181	-	1,036,181	623,977
New memberships	457,253	-	457,253	319,499
Sponsorship	321,324	17,100	338,424	287,104
Project funding, grants, research and talks	711,545	-	711,545	1,040,312
Other income and DBS	52,935	-	52,935	54,999
	<u>2,579,238</u>	<u>17,100</u>	<u>2,596,338</u>	<u>2,325,891</u>
TOTAL 2025	2,579,238	17,100	2,596,338	2,325,891
	<u>2,579,238</u>	<u>17,100</u>	<u>2,596,338</u>	
TOTAL 2024	2,293,274	32,617	2,325,891	
	<u>2,293,274</u>	<u>32,617</u>	<u>2,325,891</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Income from LEAF Marque Limited	501,582	501,582	270,749
	<u> </u>	<u> </u>	<u> </u>
TOTAL 2024	270,749	270,749	
	<u> </u>	<u> </u>	

The wholly owned trading subsidiary LEAF Marque Limited is incorporated in England and Wales (company number 04454468) and pays all of its profits to the Charity under the Gift Aid scheme. During the year ended 31 March 2025 LEAF Marque Limited reported income of £501,582 (2024: £270,749) and expenditure of £230,479 (2024: £166,543). Gift Aid of £271,103 (2024: £104,206) was paid to the Charity in respect of LEAF Marque Limited's profit for the year.

7. INVESTMENT INCOME

	Unrestricted funds 2025 £	Total funds 2025 £	Total funds 2024 £
Dividends received	17	17	6
Interest receivable	279	279	-
	<u> </u>	<u> </u>	<u> </u>
TOTAL 2025	296	296	6
	<u> </u>	<u> </u>	<u> </u>
TOTAL 2024	6	6	
	<u> </u>	<u> </u>	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total 2025 £	Total 2024 £
Integrated Farm Management	2,928,721	52,443	2,981,164	2,416,606
TOTAL 2024	2,121,237	295,369	2,416,606	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2025 £	Support costs 2025 £	Total funds 2025 £	Total funds 2024 £
Integrated Farm Management	2,624,152	357,012	2,981,164	2,416,606
TOTAL 2024	2,180,710	235,896	2,416,606	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Operational activities 2025 £	Total funds 2025 £	Total funds 2024 £
Staff costs	1,799,042	1,799,042	1,521,779
Staff welfare and recruitment	25,418	25,418	15,805
Premises	44,189	44,189	40,801
Travel and subsistence	63,456	63,456	77,749
Hospitality and meeting costs	55,126	55,126	33,071
Training	28,555	28,555	7,748
Printing, postage, stationery and telephone	80,486	80,486	55,552
PR & marketing	91,783	91,783	64,542
Professional and consultancy fees	232,030	232,030	174,338
Website costs	101,601	101,601	84,864
Subscriptions	14,745	14,745	16,880
Repairs and maintenance	13,132	13,132	10,407
Field team	70,050	70,050	74,535
General expenses	4,539	4,539	2,639
TOTAL 2025	<u>2,624,152</u>	<u>2,624,152</u>	<u>2,180,710</u>
TOTAL 2024	<u>2,180,710</u>	<u>2,180,710</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Operational activities 2025 £	Total funds 2025 £	Total funds 2024 £
Depreciation and amortisation	36,890	36,890	34,040
Premises	18,938	18,938	17,486
Travel and subsistence	59,864	59,864	25,253
Hospitality and meeting costs	23,625	23,625	14,174
Audit and accountancy	38,884	38,884	36,575
Professional and consultancy fees	98,519	98,519	74,717
Subscriptions	1,866	1,866	7,235
Repairs and maintenance	4,460	4,460	4,460
General expenses	46,291	46,291	7,345
Bank charges	27,459	27,459	11,797
Hire purchase interest	-	-	536
Governance costs	216	216	2,278
TOTAL 2025	357,012	357,012	235,896
TOTAL 2024	235,896	235,896	

Relevant costs are split between direct and support in a ratio of 70:30 respectively.

10. AUDITORS' REMUNERATION

The auditors' remuneration for the Group amounts to an audit fee of £22,325 (2024: £14,750), and accounts preparation and tax compliance services of £1,015 (2024: £1,550).

11. STAFF COSTS

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Wages and salaries	1,426,176	1,190,884	1,314,792	1,190,884
Social security costs	147,739	127,877	147,739	127,877
Contribution to defined contribution pension schemes	225,127	203,018	225,127	203,018
	1,799,042	1,521,779	1,687,658	1,521,779

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

11. STAFF COSTS (CONTINUED)

The average number of persons employed by the Charity during the year was as follows:

	Group 2025 No.	Group 2024 No.
Employees	39	40

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2025 No.	Group 2024 No.
In the band £70,001 - £80,000	1	3
In the band £80,001 - £90,000	2	-
In the band £110,001 - £120,000	-	1
In the band £120,001 - £130,000	1	-

The key management personnel of the group comprises the Trustees and the Senior Management Team. The total employee benefits of the key management personnel were £401,348 (2024: £543,432 but with no CEO salary or pension included).

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2024 - £NIL).

During the year ended 31 March 2025, £4,613 (2024: £Nil) expenses were reimbursed and paid directly to 5 Trustees.

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

13. INTANGIBLE ASSETS

GROUP AND CHARITY

	Website development £
COST	
At 1 April 2024	193,751
Additions	61,971
At 31 March 2025	255,722
AMORTISATION	
At 1 April 2024	102,902
Charge for the year	17,410
At 31 March 2025	120,312
NET BOOK VALUE	
At 31 March 2025	135,410
At 31 March 2024	90,849

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

14. TANGIBLE FIXED ASSETS

GROUP AND CHARITY

	Long-term leasehold property improvements £	Furniture and equipment £	Total £
COST OR VALUATION			
At 1 April 2024	57,142	195,103	252,245
Additions	-	3,313	3,313
At 31 March 2025	57,142	198,416	255,558
DEPRECIATION			
At 1 April 2024	26,065	170,091	196,156
Charge for the year	4,125	15,355	19,480
At 31 March 2025	30,190	185,446	215,636
NET BOOK VALUE			
At 31 March 2025	26,952	12,970	39,922
At 31 March 2024	31,077	25,012	56,089

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

15. FIXED ASSET INVESTMENTS

CHARITY	Investments £
COST OR VALUATION	
At 1 April 2024	322
AT 31 MARCH 2025	322
NET BOOK VALUE	
AT 31 MARCH 2025	322
AT 31 MARCH 2024	322

Investments held by the Charity include a £1 (2024: £1) investment in the subsidiary company, LEAF Marque Limited. This represents the Trustees' estimate of the market value of this investment. The investment represents the entire share capital of LEAF Marque Limited, a company incorporated in England and Wales. The company was incorporated on 5 June 2002. The principal activity of LEAF Marque Limited is to promote Integrated Farm Management through the use of the LEAF Marque trademark. The activities and results of this company are summarised in Note 5.

16. DEBTORS

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
DUE WITHIN ONE YEAR				
Trade debtors	594,167	436,183	464,172	365,385
Amounts owed by group undertakings	-	-	342,984	131,225
Other debtors	417	947	417	749
Prepayments and accrued income	347,641	621,336	337,700	611,719
	942,225	1,058,466	1,145,273	1,109,078

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Bank loans	150,000	-	150,000	-
Trade creditors	115,677	125,876	112,779	125,797
Other taxation and social security	113,956	107,427	106,691	102,488
Other creditors	1,918	7,940	1,918	7,940
Accruals and deferred income	43,648	79,575	33,633	72,750
	425,199	320,818	405,021	308,975

The bank loan is an unsecured, flexible credit facility carries interest at 2.97% over the Bank of England Base Rate. The facility is subject to an annual review.

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Deferred income at 1 April 2024	58,000	69,716	58,000	69,716
Resources deferred during the year	13,833	58,000	13,833	58,000
Amounts released from previous periods	(58,000)	(69,716)	(58,000)	(69,716)
	13,833	58,000	13,833	58,000

Deferred income comprises grant and other income received in respect of various projects.

18. FINANCIAL INSTRUMENTS

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
FINANCIAL ASSETS				
Financial assets measured at fair value through income and expenditure	926,913	477,026	698,604	409,488

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand

19. CORPORATION TAX

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

20. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2024 £	Income £	Expenditure £	Balance at 31 March 2025 £
UNRESTRICTED FUNDS				
DESIGNATED FUNDS				
Designated Funds	66,381	-	-	66,381
LEAF Education - Garfield Weston	180,000	-	(180,000)	-
LEAF - Samworth foundation	150,000	-	(150,000)	-
	<u>396,381</u>	<u>-</u>	<u>(330,000)</u>	<u>66,381</u>
GENERAL FUNDS				
General Funds	781,273	3,232,511	(2,600,509)	1,413,275
	<u>781,273</u>	<u>3,232,511</u>	<u>(2,600,509)</u>	<u>1,413,275</u>
TOTAL UNRESTRICTED FUNDS	<u>1,177,654</u>	<u>3,232,511</u>	<u>(2,930,509)</u>	<u>1,479,656</u>
RESTRICTED FUNDS				
Chef on the Farm	13,165	-	-	13,165
FarmerTime	44,656	-	-	44,656
Countryside classroom	94,714	17,100	(51,391)	60,423
Co-op Foundation	31,744	-	(10,052)	21,692
	<u>184,279</u>	<u>17,100</u>	<u>(61,443)</u>	<u>139,936</u>
TOTAL OF FUNDS	<u>1,361,933</u>	<u>3,249,611</u>	<u>(2,991,952)</u>	<u>1,619,592</u>

20. STATEMENT OF FUNDS (CONTINUED)

Designated Funds

Part of the Gift Aid donation from LEAF Marque is reserved to support Technology improvements that will benefit LEAF and LEAF Marque collectively.

Other designated funds are as follows:

LEAF Education (Garfield Weston) - multi-year grant specifically for LEAF's work on education.

LEAF (Samworth Foundation) - multi-year grant specifically for LEAF's work on education.

Restricted Funds

Chef on the Farm - long established Project self-funded through occasional donations and grants and delivers cookery lessons based around sustainability and introducing children to food provenance and cooking.

FarmerTime - long established project and funds have been granted to another charity in July 2025 who will take on the project.

Countryside classroom - long established web based online platform delivering curriculum linked content for teachers.

Co-Op Foundation - 3 year project with specific outputs related to a Net Zero project.

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

20. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Designated Funds	66,381	-	-	-	66,381
LEAF Education - Garfield Weston	-	180,000	-	-	180,000
LEAF - Samworth foundation	-	150,000	-	-	150,000
	<u>66,381</u>	<u>330,000</u>	<u>-</u>	<u>-</u>	<u>396,381</u>
GENERAL FUNDS					
General Funds	<u>688,807</u>	<u>2,397,337</u>	<u>(2,287,780)</u>	<u>(17,091)</u>	<u>781,273</u>
TOTAL UNRESTRICTED FUNDS	<u>755,188</u>	<u>2,727,337</u>	<u>(2,287,780)</u>	<u>(17,091)</u>	<u>1,177,654</u>
RESTRICTED FUNDS					
EU Horizon 2020	61,436	-	(61,436)	-	-
Chef on the Farm	12,769	642	(246)	-	13,165
ATF/Cevas	38,783	14,525	(70,399)	17,091	-
FarmerTime	57,689	-	(13,033)	-	44,656
Countryside classroom	110,403	14,700	(30,389)	-	94,714
ISEAL	6,463	-	(6,463)	-	-
Beacons of Excellence	35,000	-	(35,000)	-	-
#FarmMyFood	8,000	2,750	(10,750)	-	-
Co-op Foundation	99,397	-	(67,653)	-	31,744
	<u>429,940</u>	<u>32,617</u>	<u>(295,369)</u>	<u>17,091</u>	<u>184,279</u>
TOTAL OF FUNDS	<u>1,185,128</u>	<u>2,759,954</u>	<u>(2,583,149)</u>	<u>-</u>	<u>1,361,933</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

21. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2024 £	Income £	Expenditure £	Balance at 31 March 2025 £
Designated funds	396,381	-	(330,000)	66,381
General funds	781,273	3,232,511	(2,600,509)	1,413,275
Restricted funds	184,279	17,100	(61,443)	139,936
	<u>1,361,933</u>	<u>3,249,611</u>	<u>(2,991,952)</u>	<u>1,619,592</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Designated funds	66,381	330,000	-	-	396,381
General funds	688,807	2,397,337	(2,287,780)	(17,091)	781,273
Restricted funds	429,940	32,617	(295,369)	17,091	184,279
	<u>1,185,128</u>	<u>2,759,954</u>	<u>(2,583,149)</u>	<u>-</u>	<u>1,361,933</u>

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2025 £	Restricted funds 2025 £	Total funds 2025 £
Tangible fixed assets	39,922	-	39,922
Intangible fixed assets	135,410	-	135,410
Fixed asset investments	321	-	321
Current assets	1,734,466	139,936	1,874,402
Creditors due within one year	(430,463)	-	(430,463)
TOTAL	<u>1,479,656</u>	<u>139,936</u>	<u>1,619,592</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

22. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	56,089	-	56,089
Intangible fixed assets	90,849	-	90,849
Fixed asset investments	321	-	321
Current assets	1,351,213	184,279	1,535,492
Creditors due within one year	(320,818)	-	(320,818)
TOTAL	1,177,654	184,279	1,361,933

23. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2025 £	Group 2024 £
Net income for the year (as per Statement of Financial Activities)	257,659	176,805
ADJUSTMENTS FOR:		
Depreciation charges	19,480	21,772
Amortisation charges	17,410	12,268
Investment income	(296)	(6)
Interest paid	-	536
Decrease/(increase) in debtors	105,786	(594,747)
Increase/(decrease) in creditors	(40,354)	281,368
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	359,685	(102,004)

24. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2025 £	Group 2024 £
Cash in hand	921,722	477,025

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

25. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2024 £	Cash flows £	At 31 March 2025 £
Cash at bank and in hand	477,026	444,696	921,722
Debt due within 1 year	-	(150,000)	(150,000)
	<u>477,026</u>	<u>294,696</u>	<u>771,722</u>

26. CAPITAL COMMITMENTS

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS				
Acquisition of intangible assets	-	115,100	-	115,100

27. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £225,127 (2024: £203,018). As at the year end, the Charity had outstanding pension contributions of £157 (2024: £359).

28. OPERATING LEASE COMMITMENTS

At 31 March 2025 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2025 £	Group 2024 £	Charity 2025 £	Charity 2024 £
Not later than 1 year	23,897	26,035	23,897	26,035
Later than 1 year and not later than 5 years	1,810	18,468	1,810	18,468
	<u>25,707</u>	<u>44,503</u>	<u>25,707</u>	<u>44,503</u>

29. RELATED PARTY TRANSACTIONS

During the year the Charity traded with Haygrove Limited, a company in which A J Davidson is a director. During the year the Charity purchased services of £Nil (2024: £750). At the year end a balance of £Nil (2024: £Nil) was due to Haygrove Limited.

During the year the Charity traded with Dyson Farming Limited, a company in which P G Wynn is a director. During the year the charity received income of £32,737 (2024: £10,675). At the year end a balance of £Nil (2024: £Nil) was due to Dyson Farming Limited.

During the year the Charity traded with Waldersley Farm Limited, a company in which C R Porter is a director. The Charity received membership income during the year of £Nil (2024: £709). At the year end a balance of £Nil (2024: £Nil) was due from Waldersley Farms Limited.

During the year the Charity traded with Seeds to Thrive Limited, a company in which C M Mason is a director. During the year the Charity purchased services of £83.16 (2024: £3,000). At the year end a balance of £Nil (2024: £Nil) was due to Seeds to Thrive Limited.

The charity has taken advantage of the exemptions available under FRS 102 Section 33.1A and has not disclosed transactions with its subsidiary undertaking, LEAF Marque Limited.

LINKING ENVIRONMENT AND FARMING

England & Wales - Charity number 1045781

Accounts

LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2024

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

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**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2024**

The chairman presents his statement for the year.

This year has been one of continued growth and impact as the UK retail sector turns to LEAF Marque to drive forward its own sustainability ambitions. Added to this, the combination of our track-record proven over more than three decades, a range of successful UK and EU funded programmes and the launch of some exciting new partnerships across the food and farming sector, is contributing to the demand in our services. All are concerned about the threats to climate, nature and health, and are attracted by LEAF's pragmatic, Integrated Farm Management (IFM) model of food production, that is firmly based on data and rooted in real world global farming approaches.

We welcomed our new Chief Executive David Webster to lead the organization through the next stage of its development and meet our strong ambitions for the future. His wide experience in the food industry will be invaluable as we expand our membership, connect with a broader range of industry stakeholders, continue the development of our assurance standards and support farmers across the globe in their journey to produce food more sustainably.

We continue to invest in people and resources that will underpin our future success. Our strong legacy has provided LEAF with an unprecedented level of trust within both agriculture and food but connecting farmers with solutions around carbon, water management and biodiversity will be an increasingly important priority. There is no 'rule book' to this new world of production but it is clear that the development of IFM to provide practical solutions will be at the heart of everything we do.

The impacts of weather events around the globe over the last year have never been greater. The weather has become a highly significant risk to all producers of food and adapting our approach will be fundamental to our future success. Alongside this, the importance of producing more with less is a strategy we all need to adopt.

Educating the next generation about both challenges and opportunities around farming, food and the environment is vital and our team's progress over the last year has been exceptional. Our overall reach from resources, programmes and projects was in excess of 700,000 young people.

As the demand for LEAF Marque from the retail sector continues, we have invested heavily in the necessary tools, technology and information management systems that will address both the needs of growers and our industry partners. We are on a significant trajectory of growth and whilst funding remains a constraint, overall, LEAF is in good shape.

We are firmly focused on ensuring how we are delivering our core objectives: To connect, build trust and educate. Climate change continues to be the single biggest threat to the way we farm. Playing our part in providing farmers across the globe with the right solutions to feed an increasing global population with care and respect for the environment, is more important than ever.

Philip Wynn
Chairman



Date: 13/11/2024

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2024**

The Trustees present their report and the financial statements for the year ended 31 March 2024. The charity is known as LEAF (Linking Environment And Farming).

REFERENCE AND ADMINISTRATIVE DETAIL

LEAF is a registered charity and a registered company limited by guarantee.

Charity number 1045781
Company number 03035047

The principal office is at National Agricultural Centre, Stoneleigh Park, Warwickshire, CV8 2LG.

"The Registered Office" means the office of the Charity at:
National Agricultural Centre
Stoneleigh Park
Warwickshire
CV8 2LG

Legal status

The charity is limited by guarantee. In the event of the charity being wound up, each member may be required to contribute a maximum of ten pounds.

Trustees

The Trustees of the charity, who are also its Directors, are as follows:

C W Porter (Vice Chairman)
S C Eppel
I A Ashbridge (Vice Chairman)
I Pigott (resigned 18 June 2023)
P G Wynn (Chairman)
T M C Green
A J Davison (resigned 17 June 2024)
M F Young
E K Penny
Professor R J Rickson
A L Romero Salcedo
C M Mason (appointed 1 September 2023)
J M Renner (appointed 23 September 2024)

Senior Management Team

Chief Executive	David Webster
Chief Operating Officer	Stephen Jones
Director, Business Development	Clare Mike
Director, Education and Public Engagement	Carl Edwards

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Bankers

National Westminster Bank Plc
PO Box 137
59 The Parade
Leamington Spa
Warwickshire
CV32 4BA

Solicitors

Lodders Solicitors LLP
Number Ten
Elm Court
Arden Street
Stratford Upon Avon
Warwickshire
CV37 6PA

Independent Auditor

Bishop Fleming LLP
1 – 3 College Yard
Worcester
WR1 2LB

STRUCTURE, GOVERNANCE AND MANAGEMENT

LEAF (Linking Environment And Farming) is a nonprofit making, membership-based charity. It was founded in 1991 and became a registered charity in 1995. LEAF develops and promotes Integrated Farm Management (IFM). IFM is a whole farm approach combining traditional farming with modern technology. LEAF works to develop and communicate best practice messages to farmers, the agricultural and food industry and non-farmers.

LEAF supports its members to adopt and promote more sustainable farming practices through the adoption of IFM. Specifically, through the provision of management tools, technical information, training and talks. LEAF Marque is an independent assurance scheme, developed by LEAF. LEAF Marque Limited is a wholly owned subsidiary company of LEAF the Charity, incorporated in 2002.

LEAF benefits from a significant voluntary contribution from a network of LEAF Demonstration Farmers, Innovation Centres and supporters, the many farmers and helpers involved in LEAF Open Farm Sunday and from representation on the main management committees of LEAF: the LEAF Board, Policy and Strategic Development Committee and Advisory Board as well as additional committees supporting LEAF Marque.

The governing documents are the Memorandum and Articles of Association and membership rules.

The Trustees are the Board of Directors of the Charity. They are principally responsible for the governance of the Charity. The Trustees are selected by the principal management committees and the Chairman is usually a farmer who serves three to six years in that position. The Chairman is elected by the Board of Trustees and presented to members at the annual LEAF conference.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Trustees' induction and training

Most newly appointed Trustees are already familiar with the practical work of the charity, additionally all Trustees, and subcommittee members are provided with a full briefing, terms of reference and supporting literature. The supporting literature has been prepared from information drawn from LEAF's publications, including details of the Memorandum and Articles of Association, membership rules and the latest financial statements.

LEAF has developed a guidance handbook for all Trustees, setting out their obligations as Trustees for the charity. This included their requirement to ensure the delivery of public good. This handbook is reviewed on an annual basis and updated when necessary.

Strategic development of the organisation is the responsibility of the Trustees with day to day management being the responsibility of the LEAF Chief Executive.

Pay policy for senior staff

The Trustees consider the Board of Trustees, who are also the Directors, and the Executive Leadership Team (as defined on page 2) comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. The Trustees give all of their time freely and no Trustee has received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 11 to these financial statements.

The pay of the senior staff is reviewed annually by a remuneration committee comprised of a subgroup of Trustees and is normally increased in accordance with average earnings. Usually in October each year, the Trustees will determine whether the salary levels for all staff should be adjusted for the forthcoming financial year beginning 1st April, to reflect changes in the cost of living and or to reflect changes in responsibility or improvements in performance.

The Trustees' considerations will begin with an assumption that salaries should be adjusted to match inflation (specifically the Consumer Price Index) over the preceding 12 months. They will then determine whether this is appropriate in the context of:

- the charity's financial situation (can it afford the CPI linked increase?)
- the charity's performance (have KPIs been met?)
- cost of living adjustments made in recent years (have salaries kept pace with the CPI over the longerterm?)
- pay reviews elsewhere (how might a failure to follow wider trends be perceived amongst staff, within partner organisations or amongst potential supporters?)

Risk management

The Trustees recognise their responsibilities in terms of managing risk and have systems in place to ensure that the risks faced by the charity are identified, assessed, mitigated, and monitored. The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to control these risks. This is reviewed at least annually. A Risk and Audit Sub Committee comprised of a small group of Trustees was established to support this function.

We have carried out a full assessment of the risks associated with our activities and work and do not perceive there to be any detriment or harm arising from any of our activities.

The key controls used include:

- preparation and review of the Risk Register;
- formal agenda for Board meetings;
- comprehensive strategic planning, budgeting and management accounting;
- established organisational and governance structure and lines of reporting; and
- formal written policies.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

The key risks that have been identified by the Trustees include:

- achieving insufficient income to meet the Trustees' target expenditure over the period of the strategic plan;
- being unable to respond quickly to a need to reduce expenditure;
- a loss of influence at a Government policy level;
- losing key staff and volunteers;
- the implications of Brexit; and
- restrictions resulting from the coronavirus pandemic.

Through the risk management process, the Trustees are satisfied that the risks have been identified and adequately mitigated. It is recognised that systems can only provide reasonable and not absolute assurance that major risks have been adequately managed.

Public benefit

When planning the charitable activities, reviewing our strategic aims and objectives and at Trustees meetings, LEAF's Trustees have paid attention to the Charity Commission's guidance with regards to our public benefit.

OBJECTIVES AND ACTIVITIES

LEAF's charity objectives

In 2012 LEAF revised its charitable objectives to reflect the global reach of the organisation. The charity's objects now read:

'The Charity's objects ("the objects") are in the United Kingdom and throughout the World to promote and improve agriculture, horticulture and other types of farming and raise standards of practice in farm management for the public benefit, in particular by the promotion and advancement of the education of farmers and the general public concerning methods of farm management which conserve and enhance the fabric and wildlife of the countryside'.

A full breakdown of our main activities carried out throughout the year follows.

Our vision

A global farming and food system that delivers **Climate Positive** action, builds resilience and supports the **health, diversity** and **enrichment** of our food, farms, the environment and society.

Our mission

To inspire and enable more circular approaches to farming and food systems through **integrated, regenerative, and vibrant nature-based solutions**, that deliver productivity and prosperity among farmers, enriches the environment and positively engages young people and wider society.

As a charity we strive to deliver the best possible value for our members and partners in everything we do. We focus our resource on a range of priorities that deliver our key objectives, and we are heavily reliant on a dedicated staff and many volunteers. This current strategy sets out our strategic priorities, and reflects the changing global environment that we find ourselves in.

The LEAF strategic plan:

- sets out our aspirations for a more sustainable approach to food, farming and consumption;
- guides our work and focus our priorities;
- inspires our staff and volunteers;
- informs and engages others in our work and ambitions; and
- forms the basis for our business planning.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

Our strategy priorities

LEAF is a charity that promotes and supports more sustainable farming to create a resilient food and farming system for future generations.

- **We connect**
We connect farmers, innovators and industry to understand best practice sustainable farm management and how it can be applied most effectively to each farm's unique situation.
- **We build trust**
We provide assurance that growers are farming more sustainably through our independently audited LEAF Marque certification system, from the health of their soils to how they engage with local communities.
- **We educate**
Our team of qualified educational specialists work with schools, citizens and farmers across the UK to bring sustainable farming to life, both in schools and on farm.

KEY ACHIEVEMENTS AND PERFORMANCE

We Connect

We connect farmers, innovators and industry to understand best practice sustainable farm management and how it can be applied most effectively to each farm's unique situation. Driving forward the science, technology and innovations that will ensure the scaling up of more sustainable global farming and food systems is a key function of the LEAF Network of Demonstration Farmers and Innovation Centres, which underpins LEAF's knowledge generation and exchange capabilities. Best practice sustainable farm management research from our Innovation Centres – made up of some of the world's leading research centres, supports the evidence, development and promotion of more sustainable farming and help drive its continual improvement. In turn, they work alongside over forty Demonstration Farms, who put the science in practices and disseminate it to the wider farming community through on-farm visits, talks and training.

Key achievements include:

- The launch of four additional Demonstration Farms and Innovation Centres in Scotland, Cambridgeshire, Gloucestershire and Wales. Members of the LEAF Network and the wider farming community met for field events in Shropshire and Norfolk looking at the role of novel technologies in more sustainable farming approaches.
- Continued involvement in a number of industry partnerships with Corteva AgriScience, Vitacress and the RAU – covering issues such as development future sustainability leaders, sustainable farming in the protected sector and cultured meats.
- Continued involvement in a number of UK and EU funded projects involving cross industry partnerships with farmers, researchers, and industry bodies. We participated in an EU climate panel and delivered in person and online events covering a range of sustainable farming issues such as paludiculture, agroforestry, integrated pest management cover crops, earth observation technologies, and legumes.
- Ongoing growth of our Beacons of Excellence programme to develop peer-to peer learning and explore specific IFM practices. A number of farmer events took place during the year including a visit to Barfoots and LEAF Innovation Centre NIAB EMR. We also established the Beacons of Excellence water group, supporting farmers with practical and innovative solutions for more sustainable water management.
- A one-year project to support ten farmers across the UK to implement agroforestry practices commenced during this financial year.
- The LEAF Annual Conference brought together key industry figures to discuss and debate the scaling up of more sustainable farming at a global level. The keynote address was delivered by former UN Environment Chief Scientist, Professor Jacqueline McGlade.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

We Build Trust

We provide assurance that growers are farming more sustainably through our independently audited LEAF Marque certification; from the health of their soils to how they engage with local communities.

Key achievements include:

- We continue to see UK's major retailers adopt LEAF Marque to advance their own sustainability commitments. At the start of the financial year, Asda and Aldi became the latest retailers to require all their UK and global fresh produce supply base to be LEAF Marque certified, following. This followed similar commitments from Lidl, Tesco and Quaker Oats last financial year, building on Waitrose's long-standing commitment to LEAF Marque.
- To support this increase in demand for certification, we have invested heavily in increasing staff numbers and enhancing our farmer training offers to provide the right technology and information management systems to address the needs of our growers as well as our retail partners. In September 2024, we will be launching an interactive, self-guided online training package, translated into multiple languages.
- We have delivered a programme of online and in person training, webinars and resources, throughout this period.
- Relationships with major food brands including Quaker Oats, Jordans Cereals and Marks and Spencers continued as they require their growers to become LEAF Marque certified.
- LEAF Marque achieved equivalency with The Sustainability Initiative of South Africa (SIZA) following an in-depth benchmarking process.
- Following an extensive 2-year public consultation, the latest version of the LEAF Marque Standard became effective with important developments in key areas including climate resilience, landscape and nature conservation, greenhouse gases and carbon foot printing, soil health and deforestation.
- Our next public consultation on the LEAF Marque Standard v17.0 commenced seeking views of a wide range of stakeholders on the future development of the Standard around the nine sections of Integrated Farm Management.

We Educate

LEAF's education and public engagement vision is to engage, inspire and motivate young people and wider society to be conscious consumers who feel empowered to make decisions that ensure we have a world that is growing, eating and living sustainably. Our team of qualified educational specialists work with schools, citizens and farmers across the UK to bring sustainable farming to life, both in schools and on-farm.

Key achievements include:

- Continued work with schools, teachers, trainee teachers, farmers, and parents to educate and connect young people with farming, how their food is produced and the natural environment.
- Eight-fold increase in our project delivery working with over 38,000 young people on -farm and in-classroom.
- Exponential growth in in demand for our CEVAS (Countryside Educational Visits Accreditation Scheme) with over 600 farmers undertaking the course to learn how to farm visits.
- In collaboration with Harper Adams Schools of Sustainable Food and Farming and Macdonald's, we published the results of our teenager research project. The research looked at young people's views of sustainable food production, careers in the agri-food sector, their decisions as consumers and diversity within the agri-food sector. Following the research, LEAF Education set out key recommendations for the industry to take to address young people's engagement and awareness of the agri-food sector.
- Annual National Food, Farming and Natural Environment competition was held at Myerscough College, providing secondary school students a residential weekend of practical workshops, debates and land-based activities around the agri-food sector.
- Over 500 young people received a first-hand learning experience on a working farm as a direct result of our partnership with Burger King.
- Held a Pop-Up Knowledge Hub held at Dyson Farming, supported by BASF and Sainsbury's which brought

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

- together farmers, schools, universities, researchers and industry bodies to focus on farming education.
- The farming industry's annual open day, LEAF Open Farm Sunday, saw 257 UK farms welcome 170,900 visitors to learn about the journey of their food.

Governance

LEAF's Board of Trustees is responsible for the overall Governance of the charity. 6 board meetings have been held, together with weekly meetings of the Executive Leadership Team made up of the LEAF CEO and three Directors.

LEAF's ten year strategy (2021-2031) was launched in November 2020. Since the uptake of LEAF Marque by most of the UK's major retailers, this strategy is currently being revised to reflect this growth.

FINANCIAL REVIEW

As the Charity expected to see further significant growth following the adoption of the LEAF Marque Assurance System by major retailers and brands, it took a decision based on the strength of its reserves to further invest in personnel resources and IT systems to ensure it was positioned to deliver for that growth whilst accepting a budget that could result in a deficit of £268,267 in the 2023/24 financial year. In the end, the Charity has experienced an increase in its income this year (£2,759,954 versus £2,072,555 in 2023) and expenditure was relatively well controlled resulting in a final surplus of £176,805 which was better than forecast by some £445,072. The final result being an overall increase in net funds of £176,805 (2023: decrease of £133,520). The charity looks to use the budget as one of its main key performance indicators and any improvement in income or reduction in expenditure is looked upon favourably.

LEAF Marque Limited made a profit of £Nil (2023: £Nil) during the year, after a gift aid donation to LEAF of £104,206 (2023: £59,582), giving rise to net assets of £5,083 (2023: £5,083).

Insurance

Insurance has been taken out by the charity under Section 232(2) of the Companies Act 2006, costing £1,760 (2023: £1,760) for its trustees and officers against liabilities in relation to the charity.

Reserves

The Trustees have set a reserves policy which requires reserves to be maintained at a level which ensures LEAF's core activity could continue during a period of unforeseen difficulty (of not less than 4 months) and reserves be maintained in a readily realisable form. The calculation of the required level of reserves is an integral part of the organisation's planning, budget, and forecast cycle. It considers risks associated with each stream of income and expenditure being different from that budgeted, planned activity levels and the organisations commitments. The reserves levels are closely monitored as part of the management reporting and Trustee's will adjust policy dynamically by resolution in line with the associated risks. The current reserves policy aims for minimum free reserves of £582,000. Actual free undesignated reserves at 31 March 2024 were £781,273 (2023: £688,807). Recognising the relative strength of reserves, exponential growth in demand and the need to continue to invest in that growth and maintain and wherever practicable increase its capacity and capability to meet future demands, the Trustees have approved a marginal budget surplus of £1,123 for the 2024-24 financial year.

Investment policy

Any surplus funds are placed on short term deposit.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies (Note 2.2).

PLANS FOR FUTURE ACTIVITIES

As the UK and global agricultural sectors recognise the urgent need to shift to more resilient and nature friendly farming practices in response to climate change, we expect to see the demand in LEAF's services continue to grow.

Many of our retail partners have now achieved full LEAF Marque certification roll out across their global fresh produce supply bases and we will continue to on-board the remaining retailers. Moving forward, we are firmly focused on working together to look at the application of IFM across other farming sectors including dairy, livestock, and poultry.

To support this demand, our continuing investment in staff, technology, training platforms and data management systems will ensure greater harmonisation of metrics and data sharing that will underpin the transition to more regenerative production methods. As our global reach increases, we are committed to ensuring that the LEAF Marque Standard and the systems that underpin it, are fit for purpose for an increasingly diverse global membership base.

The responsibility for sustainability does not rest on farmers' shoulders alone. We will continue to engage with industry partners to create the demand for more sustainably produced commodities, improve accountability and transparency in global supply chains and enable companies and consumers to make more responsible purchasing decisions. We are seeing growing recognition from the financial services sector of their role in helping drive environmental sustainability amongst their farming clients. We are looking at ways to harness this trend and are exploring a number of potential partnerships.

The sectors and landscapes we work in have changed dramatically since LEAF first began in 1991. We are now a hugely diverse, global alliance of farmers and companies, working together to make deep rooted change on some of the most pressing environmental issues of our time. The challenge now is to implement transformative change to more regenerative farming methods at scale and pace.

FUNDRAISING

LEAF is pleased to report it continues its commitment to fundraising best practice and remains registered and compliant with the Code of Fundraising Practice and continues to display the regulator's logo (demonstrating we operate in a way that is legal, open, honest and respectful). We are listed in the regulators public directory to LEAF has continued to be registered and compliant with the standards of the Fundraising Regulator. Fundraising is specifically limited to on line individual web based donations and handwritten bids by experienced long established fundraisers. All written bids are scrutinised and approved by the Executive leadership and Trustees. The Trustees attend and monitor a range of activities and receive regular feedback and reports on all activities and have sight of all funded activity reports. Neither the fundraisers or LEAF is bound by any voluntary schemes and is delighted to report it has once again received no complaints about its charitable activities nor its fundraising activities. The Charity's does not have fundraisers or commercial participators delivering its activities. The Fundraising regulator noted in writing to the Charity that in LEAF's March 2023 Accounts report it failed to report its association with the regulator correctly, and this has been addressed. In terms of protection of vulnerable people and members of the public, LEAF restricts its fundraising to online web based personal donations and written targeted bids to organisations and not individuals. There is no face-to-face fundraising in either public or private spaces.

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2024**

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

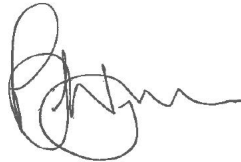
The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

AUDITORS

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. A resolution concerning the appointment of auditors for the ensuing year will be proposed at the Board Meeting.

Approved by order of the members of the board of Trustees and signed on their behalf by:

P G Wynn
Chair of Trustees

A handwritten signature in black ink, appearing to be 'P G Wynn', written in a cursive style.

Date: 13/11/2024

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING

OPINION

We have audited the financial statements of Linking Environment And Farming (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 Financial Reporting Standard 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 Group's and of the parent charitable company's affairs as at 31 March 2024 and of the Group's incoming resources and application of resources, including its income and expenditure 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 and the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

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

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

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING
(CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees 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 Trustees are responsible for assessing the Group's and the parent charitable 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 Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING
(CONTINUED)**

AUDITORS' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management and the board about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in
- the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the company for fraud, which included incorrect recognition of revenue and management override of controls using manual journal entries, and these were identified as the greatest potential area for fraud.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that Linking Environment and Farming operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included FRS 102, the UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included relevant product safety standards, occupational health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance
- with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of management and those charged with governance concerning actual and potential litigation and claims;

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING
(CONTINUED)**

- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Wood FCCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Senior Statutory Auditors

1-3 College Yard

Worcester

WR1 2LB

Date: 29 November 2024

LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2024**

	Note	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from:					
Donations and legacies	3	163,308	-	163,308	146,707
Charitable activities	4	2,293,274	32,617	2,325,891	1,750,816
Other trading activities	5	270,749	-	270,749	175,009
Investments	6	6	-	6	23
Total income		2,727,337	32,617	2,759,954	2,072,555
Expenditure on:					
Raising funds		166,543	-	166,543	56,182
Charitable activities	7	2,121,237	295,369	2,416,606	2,149,893
Total expenditure		2,287,780	295,369	2,583,149	2,206,075
Net income/(expenditure)		439,557	(262,752)	176,805	(133,520)
Transfers between funds	19	(17,091)	17,091	-	-
Net movement in funds		422,466	(245,661)	176,805	(133,520)
Reconciliation of funds:					
Total funds brought forward		755,188	429,940	1,185,128	1,318,648
Net movement in funds		422,466	(245,661)	176,805	(133,520)
Total funds carried forward		1,177,654	184,279	1,361,933	1,185,128

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 19 to 41 form part of these financial statements.

LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03035047

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2024

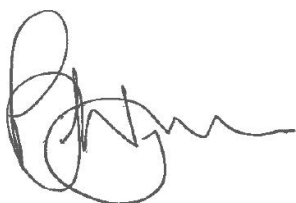
	Note	2024 £	2023 £
Fixed assets			
Intangible assets	12	90,849	29,359
Tangible assets	13	56,089	60,400
Investments	14	321	322
		147,259	90,081
Current assets			
Debtors	15	1,058,268	616,408
Cash at bank and in hand		477,026	670,778
		1,535,294	1,287,186
Creditors: amounts falling due within one year	16	(320,620)	(192,139)
Net current assets		1,214,674	1,095,047
Total net assets		1,361,933	1,185,128
Charity funds			
Restricted funds	19	184,279	429,940
Unrestricted funds	19	1,177,654	755,188
Total funds		1,361,933	1,185,128

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

P G Wynn
Chair of Trustees



Date: 13/11/2024

The notes on pages 19 to 41 form part of these financial statements.

LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03035047

CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2024

	Note	2024 £	2023 £
Fixed assets			
Intangible assets	12	90,849	29,359
Tangible assets	13	56,089	60,400
Investments	14	322	322
		147,260	90,081
Current assets			
Debtors	15	1,109,078	708,440
Cash at bank and in hand		409,488	567,109
		1,518,566	1,275,549
Creditors: amounts falling due within one year	16	(308,975)	(185,584)
Net current assets		1,209,591	1,089,965
Total net assets		1,356,851	1,180,046
Charity funds			
Restricted funds	19	184,279	429,940
Unrestricted funds	19	1,172,572	750,106
Total funds		1,356,851	1,180,046

The Charity's net movement in funds for the year was £176,805 (2023 - £(117,870)).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



P G Wynn
Chair of Trustees

Date: 13/11/2024

The notes on pages 19 to 41 form part of these financial statements.

LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2024

	2024 £	2023 £
Cash flows from operating activities		
Net cash used in operating activities	(102,004)	(338,757)
Cash flows from investing activities		
Investment income	6	23
Purchase of intangible assets	(73,758)	(31,600)
Purchase of tangible fixed assets	(17,461)	(16,190)
Net cash used in investing activities	(91,213)	(47,767)
Cash flows from financing activities		
Interest element of hire purchase contracts	(536)	(47)
Net cash used in financing activities	(536)	(47)
Change in cash and cash equivalents in the year	(193,753)	(386,571)
Cash and cash equivalents at the beginning of the year	670,778	1,057,349
Cash and cash equivalents at the end of the year	477,025	670,778

The notes on pages 19 to 41 form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

1. GENERAL INFORMATION

Linking Environment and Farming is a charitable company limited by guarantee incorporated in England & Wales and domiciled in England.

The registered office is National Agricultural Centre, Stoneleigh Park, Kenilworth, Warwickshire, CV8 2LG. The charitable company's registered number is 03035047.

In the event of the charity being wound up, each member has undertaken to contribute towards its liabilities a sum of not exceeding ten pounds.

The charity is registered as a charity, no 1045781, with the Charity Commission and is exempted from Corporation Tax on its income in the year.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Linking Environment And Farming meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The presentation currency for the group and the charitable company during the year was Sterling, and are rounded to the nearest £1.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking, LEAF Marque Limited, for the year. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2.2 GOING CONCERN

The Trustees have reviewed all information available to them and do not consider there to be any significant doubts about the charitable company's ability to continue as a going concern. These financial statements have therefore been prepared on this basis.

The Trustees have prepared budgets and cash flow forecasts to for a period of at least 12 months following the date of approval of the financial statements. The Group has a net asset value as at 31 March 2024 of £1,361,933 (2023: £1,185,128) and cash at bank and in hand of £477,026 (2023: £670,788). On this basis the financial statements have been prepared on a going concern basis.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. ACCOUNTING POLICIES (continued)

2.3 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.4 INCOME

Voluntary income including donations and grants that provide core funding or are of a general nature are recognised when there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income is only deferred when the donor specifies that the grant or donation can only be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is accounted for when receivable.

Commission/membership income is accounted for, in full, when received.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.5 EXPENDITURE

Expenditure is recognised on an accruals basis when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied.

Support costs include central functions.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

2. ACCOUNTING POLICIES (continued)

2.5 EXPENDITURE (CONTINUED)

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

2.6 INTANGIBLE ASSETS AND AMORTISATION

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets are amortised on a straight line basis over their estimated useful life. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The estimated useful lives are as follows:

Website development	- 3 years
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2.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged by equal annual instalments commencing with the date of acquisition at rates estimated to write off their cost less any residual value over their expected useful lives which are as follows:

Long-term leasehold property improvements	- Over the life of the lease
Motor vehicles	- 5 years
Furniture and equipment	- 3 - 10 years

2.8 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

2.9 INVESTMENTS

Fixed asset investments are a form of financial instrument and are recognised at mid-market value at the balance sheet date.

2. ACCOUNTING POLICIES (continued)

2.10 RETIREMENT BENEFITS

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2.11 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.12 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

2.13 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

2.14 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.15 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.16 LIABILITIES

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt after allowing for any trade discounts due or the amount it has received as advanced payments for the goods or services it must provide.

2. ACCOUNTING POLICIES (continued)

2.17 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Financial assets and liabilities that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

Financial assets and liabilities that are measured at fair value are determined using active market rate.

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Donations	163,308	163,308	146,707
	<u>163,308</u>	<u>163,308</u>	<u>146,707</u>
TOTAL 2023	146,707	146,707	
	<u>146,707</u>	<u>146,707</u>	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Membership renewals	943,476	-	943,476	638,530
Sponsorship	287,104	-	287,104	410,258
Project funding, grants, research and talks	1,007,695	32,617	1,040,312	461,660
Other income and DBS	54,999	-	54,999	240,368
	<u>2,293,274</u>	<u>32,617</u>	<u>2,325,891</u>	<u>1,750,816</u>
TOTAL 2024	2,293,274	32,617	2,325,891	1,750,816
	<u>2,293,274</u>	<u>32,617</u>	<u>2,325,891</u>	<u>1,750,816</u>
TOTAL 2023	1,349,467	401,349	1,750,816	
	<u>1,349,467</u>	<u>401,349</u>	<u>1,750,816</u>	

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

5. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Income from LEAF Marque Limited	270,749	270,749	175,009
TOTAL 2023	175,009	175,009	

The wholly owned trading subsidiary LEAF Marque Limited is incorporated in England and Wales (company number 04454468) and pays all of its profits to the Charity under the Gift Aid scheme. During the year ended 31 March 2023 LEAF Marque Limited reported income of £270,749 (2023: £175,009) and expenditure of £166,543 (2023: £115,427). Gift Aid of £104,206 (2023: £75,232) was paid to the Charity in respect of LEAF Marque Limited's profit for the year.

6. INVESTMENT INCOME

	Unrestricted funds 2024 £	Total funds 2024 £	Total funds 2023 £
Dividends received	6	6	15
Interest receivable	-	-	8
TOTAL 2024	6	6	23
TOTAL 2023	23	23	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

7. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total 2024 £	Total 2023 £
Integrated Farm Management	2,121,237	295,369	2,416,606	2,149,893
TOTAL 2023	1,898,553	251,340	2,149,893	

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2024 £	Support costs 2024 £	Total funds 2024 £	Total funds 2023 £
Integrated Farm Management	2,180,710	235,896	2,416,606	2,149,893
TOTAL 2023	1,969,754	180,139	2,149,893	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Integrated farm management 2024 £	Total funds 2024 £	Total funds 2023 £
Staff costs	1,521,779	1,521,779	1,304,636
Staff welfare and recruitment	15,805	15,805	73,629
Premises	40,801	40,801	22,921
Travel and subsistence	77,749	77,749	43,881
Hospitality and meeting costs	33,071	33,071	16,971
Training	7,748	7,748	9,421
Printing, postage, stationery and telephone	55,552	55,552	78,503
PR & marketing	64,542	64,542	85,217
Professional and consultancy fees	174,338	174,338	141,651
Website costs	84,864	84,864	72,422
Subscriptions	16,880	16,880	12,538
Repairs and maintenance	10,407	10,407	16,327
Field team	74,535	74,535	91,637
General expenses	2,639	2,639	-
TOTAL 2024	2,180,710	2,180,710	1,969,754
TOTAL 2023	1,969,754	1,969,754	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

8. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Integrated farm management 2024 £	Total funds 2024 £	Total funds 2023 £
Depreciation and amortisation	34,040	34,040	28,773
Premises	17,486	17,486	9,823
Travel and subsistence	25,253	25,253	18,807
Hospitality and meeting costs	14,174	14,174	7,274
Audit and accountancy	36,575	36,575	28,773
Professional and consultancy fees	74,717	74,717	65,416
Subscriptions	7,235	7,235	5,374
Repairs and maintenance	4,460	4,460	6,997
General expenses	7,345	7,345	14,398
Bank charges	11,797	11,797	6,112
Hire purchase interest	536	536	47
Governance costs	2,278	2,278	244
(Profit)/loss on disposal on fixed asset	-	-	(11,899)
TOTAL 2024	<u>235,896</u>	<u>235,896</u>	<u>180,139</u>
TOTAL 2023	<u>180,139</u>	<u>180,139</u>	

Relevant costs are split between direct and support in a ratio of 70:30 respectively.

9. AUDITORS' REMUNERATION

The auditors' remuneration amounts to an audit fee of £14,750 (2023: £14,050), and accounts preparation and tax compliance services of £1,550 (2023: £1,550).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

10. STAFF COSTS

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Wages and salaries	1,190,884	1,030,539	1,190,884	972,877
Social security costs	127,877	112,703	127,877	112,703
Contribution to defined contribution pension schemes	203,018	161,394	203,018	161,394
	<u>1,521,779</u>	<u>1,304,636</u>	<u>1,521,779</u>	<u>1,246,974</u>

The average number of persons employed by the Charity during the year was as follows:

	Group 2024 No.	Group 2023 No.
Employees	<u>40</u>	<u>35</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2024 No.	Group 2023 No.
In the band £60,001 - £70,000	-	2
In the band £70,001 - £80,000	3	-
In the band £110,001 - £120,000	1	-

The key management personnel of the group comprises the Trustees and the Senior Management Team. The total employee benefits of the key management personnel were £543,432 (2023: £242,300 but with no CEO salary or pension included).

11. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2023 - £NIL).

During the year ended 31 March 2024, no expenses were reimbursed or paid directly to any Trustees. (2023: £NIL).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

12. INTANGIBLE ASSETS

GROUP AND CHARITY

	Website development £
COST	
At 1 April 2023	119,993
Additions	73,758
At 31 March 2024	193,751
AMORTISATION	
At 1 April 2023	90,634
Charge for the year	12,268
At 31 March 2024	102,902
NET BOOK VALUE	
At 31 March 2024	90,849
At 31 March 2023	29,359

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

13. TANGIBLE FIXED ASSETS

GROUP AND CHARITY

	Long-term leasehold property improvements £	Furniture and equipment £	Total £
COST OR VALUATION			
At 1 April 2023	50,055	184,729	234,784
Additions	7,087	10,374	17,461
At 31 March 2024	57,142	195,103	252,245
DEPRECIATION			
At 1 April 2023	22,471	151,913	174,384
Charge for the year	3,594	18,178	21,772
At 31 March 2024	26,065	170,091	196,156
NET BOOK VALUE			
At 31 March 2024	31,077	25,012	56,089
At 31 March 2023	27,584	32,816	60,400

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

14. FIXED ASSET INVESTMENTS

	Investments £
CHARITY	
COST OR VALUATION	
At 1 April 2023	322
AT 31 MARCH 2024	322
NET BOOK VALUE	
AT 31 MARCH 2024	322
AT 31 MARCH 2023	322

Investments held by the Charity include a £1 (2023: £1) investment in the subsidiary company, LEAF Marque Limited. This represents the Trustees' estimate of the market value of this investment. The investment represents the entire share capital of LEAF Marque Limited, a company incorporated in England and Wales. The company was incorporated on 5 June 2002. The principal activity of LEAF Marque Limited is to promote Integrated Farm Management through the use of the LEAF Marque trademark. The activities and results of this company are summarised in Note 5.

15. DEBTORS

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
DUE WITHIN ONE YEAR				
Trade debtors	436,183	234,880	365,385	220,806
Amounts owed by group undertakings	-	-	131,225	130,525
Other debtors	749	1,134	749	1,134
Prepayments and accrued income	621,336	380,394	611,719	355,975
	1,058,268	616,408	1,109,078	708,440

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

16. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Trade creditors	125,876	23,589	125,797	23,539
Other taxation and social security	107,427	50,012	102,488	50,007
Other creditors	7,742	17,101	7,940	17,101
Accruals and deferred income	79,575	101,437	72,750	94,937
	320,620	192,139	308,975	185,584

Deferred income comprises grant and other income received in respect of various projects.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

17. FINANCIAL INSTRUMENTS

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
FINANCIAL ASSETS				
Financial assets measured at fair value through income and expenditure	477,026	670,779	409,488	567,109

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand

18. CORPORATION TAX

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

**LINKING ENVIRONMENT AND FARMING
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**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

19. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Designated Funds	66,381	-	-	-	66,381
LEAF Education - Garfield Weston	-	180,000	-	-	180,000
LEAF - Samworth foundation	-	150,000	-	-	150,000
	<u>66,381</u>	<u>330,000</u>	<u>-</u>	<u>-</u>	<u>396,381</u>
GENERAL FUNDS					
General Funds	688,807	2,397,337	(2,287,780)	(17,091)	781,273
	<u>688,807</u>	<u>2,397,337</u>	<u>(2,287,780)</u>	<u>(17,091)</u>	<u>781,273</u>
TOTAL UNRESTRICTED FUNDS	755,188	2,727,337	(2,287,780)	(17,091)	1,177,654
	<u>755,188</u>	<u>2,727,337</u>	<u>(2,287,780)</u>	<u>(17,091)</u>	<u>1,177,654</u>
RESTRICTED FUNDS					
EU Horizon 2020	61,436	-	(61,436)	-	-
Chef on the Farm	12,769	642	(246)	-	13,165
ATF/Cevas	38,783	14,525	(70,399)	17,091	-
FarmerTime	57,689	-	(13,033)	-	44,656
Countryside classroom	110,403	14,700	(30,389)	-	94,714
ISEAL	6,463	-	(6,463)	-	-
Beacons of Excellence	35,000	-	(35,000)	-	-
#FarmMyFood	8,000	2,750	(10,750)	-	-
Co-op Foundation	99,397	-	(67,653)	-	31,744
	<u>429,940</u>	<u>32,617</u>	<u>(295,369)</u>	<u>17,091</u>	<u>184,279</u>
	<u>429,940</u>	<u>32,617</u>	<u>(295,369)</u>	<u>17,091</u>	<u>184,279</u>
TOTAL OF FUNDS	1,185,128	2,759,954	(2,583,149)	-	1,361,933
	<u>1,185,128</u>	<u>2,759,954</u>	<u>(2,583,149)</u>	<u>-</u>	<u>1,361,933</u>

19. STATEMENT OF FUNDS (CONTINUED)

Designated Funds

Part of the Gift Aid donation from LEAF Marque is reserved to support Technology improvements that will benefit LEAF and LEAF Marque collectively.

Other designated funds are as follows:

LEAF Education (Garfield Weston) - multi-year grant specifically for LEAF's work on education.

LEAF (Samworth Foundation) - multi-year grant specifically for LEAF's work on education.

Restricted Funds

Chef on the Farm - long established Project self-funded through occasional donations and grants and delivers cookery lessons based around sustainability and introducing children to food provenance and cooking.

FarmerTime - long established project and funds will be granted to another charity who will take on the project in the future.

Countryside classroom - long established web based online platform delivering curriculum linked content for teachers.

Co-Op Foundation - 3 year project with specific outputs related to a Net Zero project.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

19. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Balance at 31 March 2023 £
UNRESTRICTED FUNDS				
DESIGNATED FUNDS				
Designated Funds	66,381	-	-	66,381
GENERAL FUNDS				
General Funds	972,336	1,671,206	(1,954,735)	688,807
TOTAL UNRESTRICTED FUNDS	1,038,717	1,671,206	(1,954,735)	755,188
RESTRICTED FUNDS				
EU Horizon 2020	51,050	140,553	(130,167)	61,436
Chef on the Farm	8,070	11,716	(7,017)	12,769
ATF/Cevas	25,042	38,908	(25,167)	38,783
FarmerTime	119,144	500	(61,955)	57,689
Countryside classroom	70,162	67,275	(27,034)	110,403
ISEAL	6,463	-	-	6,463
Beacons of Excellence	-	35,000	-	35,000
#FarmMyFood	-	8,000	-	8,000
Co-op Foundation	-	99,397	-	99,397
	279,931	401,349	(251,340)	429,940
TOTAL OF FUNDS	1,318,648	2,072,555	(2,206,075)	1,185,128

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024

20. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2023 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2024 £
Designated funds	66,381	330,000	-	-	396,381
General funds	688,807	2,397,337	(2,287,780)	(17,091)	781,273
Restricted funds	429,940	32,617	(295,369)	17,091	184,279
	<u>1,185,128</u>	<u>2,759,954</u>	<u>(2,583,149)</u>	<u>-</u>	<u>1,361,933</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Balance at 31 March 2023 £
Designated funds	66,381	-	-	66,381
General funds	972,336	1,671,206	(1,954,735)	688,807
Restricted funds	279,931	401,349	(251,340)	429,940
	<u>1,318,648</u>	<u>2,072,555</u>	<u>(2,206,075)</u>	<u>1,185,128</u>

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT PERIOD

	Unrestricted funds 2024 £	Restricted funds 2024 £	Total funds 2024 £
Tangible fixed assets	56,089	-	56,089
Intangible fixed assets	90,849	-	90,849
Fixed asset investments	321	-	321
Current assets	1,351,015	184,279	1,535,294
Creditors due within one year	(320,620)	-	(320,620)
TOTAL	<u>1,177,654</u>	<u>184,279</u>	<u>1,361,933</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

21. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR PERIOD

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	60,400	-	60,400
Intangible fixed assets	29,359	-	29,359
Fixed asset investments	321	-	321
Current assets	857,247	429,940	1,287,187
Creditors due within one year	(192,139)	-	(192,139)
TOTAL	755,188	429,940	1,185,128

22. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2024 £	Group 2023 £
Net income/expenditure for the period (as per Statement of Financial Activities)	176,805	(133,520)
ADJUSTMENTS FOR:		
Depreciation charges	21,772	25,979
Amortisation charges	12,268	2,795
Investment income	(6)	(23)
Interest paid	536	47
Increase in debtors	(594,747)	(57,213)
Increase/(decrease) in creditors	281,368	(175,529)
NET CASH USED IN OPERATING ACTIVITIES	(102,004)	(337,464)

23. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2024 £	Group 2023 £
Cash in hand	477,025	670,778

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

24. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2023 £	Cash flows £	At 31 March 2024 £
Cash at bank and in hand	670,779	(193,753)	477,026
	<u>670,779</u>	<u>(193,753)</u>	<u>477,026</u>

25. CAPITAL COMMITMENTS

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
CONTRACTED FOR BUT NOT PROVIDED IN THESE FINANCIAL STATEMENTS				
Acquisition of intangible assets	115,100	-	115,100	-
	<u>115,100</u>	<u>-</u>	<u>115,100</u>	<u>-</u>

26. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £203,018 (2023: £161,394). As at the year end, the Charity had outstanding pension contributions of £359 (2023: £16,986).

27. OPERATING LEASE COMMITMENTS

At 31 March 2024 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2024 £	Group 2023 £	Charity 2024 £	Charity 2023 £
Not later than 1 year	26,035	26,035	26,035	26,035
Later than 1 year and not later than 5 years	18,468	44,504	18,468	44,504
	<u>44,503</u>	<u>70,539</u>	<u>44,503</u>	<u>70,539</u>

28. RELATED PARTY TRANSACTIONS

During the year the Charity traded with Haygrove Limited, a company in which A J Davidson is a director. During the year the Charity purchased services of £750 (2023: £NIL). At the year end a balance of £NIL (2023: £NIL) was due to Haygrove Limited.

During the year the Charity traded with Dyson Farming Limited, a company in which P G Wynn is a director. During the year the charity received income of £10,675 (2023: £NIL). At the year end a balance of £NIL (2023: £NIL) was due to Dyson Farming Limited.

During the year the Charity traded with Waldersley Farm Limited, a company in which C R Porter is a director. The Charity received membership income during the year of £709 (2023: £NIL). At the year end a balance of £NIL (2023: £NIL) was due from Waldersley Farms Limited.

During the year the Charity traded with Seeds to Thrive Limited, a company in which C M Mason is a director. During the year the Charity purchased services of £3,000 (2023: £NIL). At the year end a balance of £NIL (2023: £NIL) was due to Seeds to Thrive Limited.

The charity has taken advantage of the exemptions available under FRS 102 Section 33.1A and has not disclosed transactions with its subsidiary undertaking, LEAF Marque Limited.

Trustees made donations totalling £NIL in the year to 31 March 2024 (2023: £1,000).

LINKING ENVIRONMENT AND FARMING

England & Wales - Charity number 1045781

Accounts

LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2023

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

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**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2023**

The chairman presents his statement for the year.

LEAF reached an important milestone during this financial year as it celebrated its 30th anniversary. For over three decades, LEAF has led the way in developing and demonstrating more sustainable, regenerative farming, delivered through Integrated Farm Management.

Of course, it was with huge sadness that such a special year was marked by the untimely loss of LEAF's Chief Executive, Caroline Drummond MBE. She has been the driving force behind LEAF since its inception in 1991. All involved in the organisation and across the food and farming industry are determined to continue her legacy. Our 10 year strategic plan, published at the end of 2021, reflects Caroline's passion and vision, with ambitious targets over the next decade to build on LEAF's long heritage, committing to innovating, engaging and scaling up our reach. We remain firmly focused in delivering on our targets.

This year has been one of unprecedented growth and transformation, with many of the major UK retailers adopting LEAF Marque certification across their global fresh produce sectors, to advance their sustainability ambitions. We have doubled our staff numbers and invested in the talent, resources and infrastructure necessary to meet the ever-increasing demand in our services.

We have an incredibly dynamic new senior leadership team and by investing in young talent across all our teams, we are now in a very strong position to engage and support more farmers both in the UK and overseas, build on our current partnerships, reach new markets and drive further growth in our globally recognised environmental assurance system.

LEAF Marque is now the environmental assurance system of choice, and we expect to see the remaining UK retailers and other major food brands to adopt it in the coming financial year. In addition, we are working closely with them to advance the implementation of LEAF Marque across other sectors including dairy and livestock.

Providing farmers with access to cutting edge insight, practical tools, and best practice training to help them implement more sustainable farming has been a key focus this year. We continued to build our LEAF Network of Demonstration Farmers and Innovation Centres, extend our online and in-person technical training provision, and increase our involvement with a range of industry partnerships and EU projects.

We have also seen a significant rise in the demand for our education and public engagement activities, delivered through LEAF Education. Our National Competition, Farming Fortnight, Demonstration Schools, the continuation of our important teenager engagement work and our flagship Open Farm Sunday event, have provided opportunities for thousands of young people and families to learn more about farming and get an insight into the career opportunities available in the agri-food sector.

Farmers face an incredibly challenging time with enormous volatility in markets and input costs giving rise to unprecedented levels of risk. LEAF is leading the way in driving more circular agriculture, with its complex focus on climate, nature, economy and food security, through the sustainable farming principles of Integrated Farm Management.



Philip Wynn
Chairman
Date: 26/10/23

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2023**

The Trustees present their report and the financial statements for the year ended 31 March 2023. The charity is known as LEAF (Linking Environment And Farming).

REFERENCE AND ADMINISTRATIVE DETAIL

LEAF is a registered charity and a registered company limited by guarantee.

Charity number 1045781
Company number 03035047

The principal office is at National Agricultural Centre, Stoneleigh Park, Warwickshire, CV8 2LG.

"The Registered Office" means the office of the Charity at:
National Agricultural Centre
Stoneleigh Park
Warwickshire
CV8 2LG

Legal status

The charity is limited by guarantee. In the event of the charity being wound up, each member may be required to contribute a maximum of ten pounds.

Trustees

The Trustees of the charity, who are also its Directors, are as follows:

C W Porter (Vice Chairman)
S C Eppel
I A Ashbridge (Vice Chairman)
I Pigott
P G Wynn (Chairman)
T M C Green
A J Davison
M F Young
E K Penny
Professor R J Rickson
Ana Romero Salcedo (Appointed 1st March 2022)

Executive Leadership Team

Chief Executive (Interim)	Philip Wynn (Chairman)
Chief Operating Officer	Stephen Jones
Director, Business Development	Clare Mike
Director, Education and Public Engagement	Carl Edwards
Director, Technical	Vicky Robinson

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Bankers

National Westminster Bank Plc
PO Box 137
59 The Parade
Leamington Spa
Warwickshire
CV32 4BA

Solicitors

Lodders Solicitors LLP
Number Ten
Elm Court
Arden Street
Stratford Upon Avon
Warwickshire
CV37 6PA

Independent Auditor

Bishop Fleming LLP
1 – 3 College Yard
Worcester
WR1 2LB

STRUCTURE, GOVERNANCE AND MANAGEMENT

LEAF (Linking Environment And Farming) is a nonprofit making, membership-based charity. It was founded in 1991 and became a registered charity in 1995. LEAF develops and promotes Integrated Farm Management (IFM). IFM is a whole farm approach combining traditional farming with modern technology. LEAF works to develop and communicate best practice messages to farmers, the agricultural and food industry and non-farmers.

LEAF supports its members to adopt and promote more sustainable farming practices through the adoption of IFM. Specifically, through the provision of management tools, technical information, training and talks. LEAF Marque is an independent assurance scheme, developed by LEAF. LEAF Marque Limited is a wholly owned subsidiary company of LEAF the Charity, incorporated in 2002.

LEAF benefits from a significant voluntary contribution from a network of LEAF Demonstration Farmers, Innovation Centres and supporters, the many farmers and helpers involved in LEAF Open Farm Sunday and from representation on the main management committees of LEAF: the LEAF Board, Policy and Strategic Development Committee and Advisory Board as well as additional committees supporting LEAF Marque.

The governing documents are the Memorandum and Articles of Association and membership rules.

The Trustees are the Board of Directors of the Charity. They are principally responsible for the governance of the Charity. The Trustees are selected by the principal management committees and the Chairman is usually a farmer who serves three to six years in that position. The Chairman is elected by the Board of Trustees and presented to members at the annual LEAF conference.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Trustees' induction and training

Most newly appointed Trustees are already familiar with the practical work of the charity, additionally all Trustees, and subcommittee members are provided with a full briefing, terms of reference and supporting literature. The supporting literature has been prepared from information drawn from LEAF's publications, including details of the Memorandum and Articles of Association, membership rules and the latest financial statements.

LEAF has developed a guidance handbook for all Trustees, setting out their obligations as Trustees for the charity. This included their requirement to ensure the delivery of public good. This handbook is reviewed on an annual basis and updated when necessary.

Strategic development of the organisation is the responsibility of the Trustees with day to day management being the responsibility of the LEAF Chief Executive.

Pay policy for senior staff

The Trustees consider the Board of Trustees, who are also the Directors, and the Executive Leadership Team (as defined on page 2) comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. The Trustees give all of their time freely and no Trustee has received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 12 to these financial statements.

The pay of the senior staff is reviewed annually by a remuneration committee comprised of a subgroup of Trustees and is normally increased in accordance with average earnings. Usually in October each year, the Trustees will determine whether the salary levels for all staff should be adjusted for the forthcoming financial year beginning 1st April, to reflect changes in the cost of living and or to reflect changes in responsibility or improvements in performance.

The Trustees' considerations will begin with an assumption that salaries should be adjusted to match inflation (specifically the Consumer Price Index) over the preceding 12 months. They will then determine whether this is appropriate in the context of:

- the charity's financial situation (can it afford the CPI linked increase?)
- the charity's performance (have KPIs been met?)
- cost of living adjustments made in recent years (have salaries kept pace with the CPI over the longerterm?)
- pay reviews elsewhere (how might a failure to follow wider trends be perceived amongst staff, within partner organisations or amongst potential supporters?)

Risk management

The Trustees recognise their responsibilities in terms of managing risk and have systems in place to ensure that the risks faced by the charity are identified, assessed, mitigated, and monitored. The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to control these risks. This is reviewed at least annually. A Risk and Audit Sub Committee comprised of a small group of Trustees was established to support this function.

We have carried out a full assessment of the risks associated with our activities and work and do not perceive there to be any detriment or harm arising from any of our activities.

The key controls used include:

- preparation and review of the Risk Register;
- formal agenda for Board meetings;
- comprehensive strategic planning, budgeting and management accounting;
- established organisational and governance structure and lines of reporting; and
- formal written policies.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

The key risks that have been identified by the Trustees include:

- achieving insufficient income to meet the Trustees' target expenditure over the period of the strategic plan;
- being unable to respond quickly to a need to reduce expenditure;
- a loss of influence at a Government policy level;
- losing key staff and volunteers;
- the implications of Brexit; and
- restrictions resulting from the coronavirus pandemic.

Through the risk management process, the Trustees are satisfied that the risks have been identified and adequately mitigated. It is recognised that systems can only provide reasonable and not absolute assurance that major risks have been adequately managed.

Public benefit

When planning the charitable activities, reviewing our strategic aims and objectives and at Trustees meetings, LEAF's Trustees have paid attention to the Charity Commission's guidance with regards to our public benefit.

OBJECTIVES AND ACTIVITIES

LEAF's charity objectives

In 2012 LEAF revised its charitable objectives to reflect the global reach of the organisation. The charity's objects now read:

'The Charity's objects ("the objects") are in the United Kingdom and throughout the World to promote and improve agriculture, horticulture and other types of farming and raise standards of practice in farm management for the public benefit, in particular by the promotion and advancement of the education of farmers and the general public concerning methods of farm management which conserve and enhance the fabric and wildlife of the countryside'.

A full breakdown of our main activities carried out throughout the year follows.

Our 10 year strategy (2021-2031) provides the backbone for LEAF to set performance targets, identify niches, collaborate with others and ensure the organisation runs effectively through an efficient management and committee structure as we endeavour to encourage the development of sustainable production.

Our vision

A global farming and food system that delivers **Climate Positive** action, builds resilience and supports the **health, diversity and enrichment** of our food, farms, the environment and society.

Our mission

To inspire and enable more circular approaches to farming and food systems through **integrated, regenerative, and vibrant nature-based solutions**, that deliver productivity and prosperity among farmers, enriches the environment and positively engages young people and wider society.

As a charity we strive to deliver the best possible value for our members and partners in everything we do. We focus our resource on a range of priorities that deliver our key objectives, and we are heavily reliant on a dedicated staff and many volunteers. This current strategy sets out our strategic priorities, and reflects the changing global environment that we find ourselves in.

The LEAF strategic plan:

- sets out our aspirations for a more sustainable approach to food, farming and consumption;
- guides our work and focus our priorities;
- inspires our staff and volunteers;
- informs and engages others in our work and ambitions; and
- forms the basis for our business planning.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

- **Our strategy priorities**

LEAF works with farmers, the food industry, scientists, environmentalists, teachers, young people and consumers to deliver productivity and prosperity among our farmers, enrich the environment and engage young people and society in a valuable and meaningful way. We deliver against 8 commitments, through 3 crosscutting themes (Health, Diversity, Enrichment) and 3 core work streams, namely:

- Knowledge generation and exchange
- Market Opportunities
- Educating and Engaging Society

KEY ACHIEVEMENTS AND PERFORMANCE

Facilitating knowledge generation and exchange

This workstream is focused on ensuring that the ongoing development of IFM is backed up by robust science which is translated to farm level; this is delivered through the LEAF Network. Cutting edge IFM research generated from our Innovation Centres is tested in practical farm settings on our Demonstration Farms and then promoted to the wider farming community through farm visits, talks and training events. It is this 'science into practice' approach which ensures IFM continues to develop to meet current and future sustainability challenges.

Key achievements include:

- Expanded the LEAF Network with the launch of five new Demonstration Farms located in Jersey, Hampshire, Berkshire, Aberdeenshire and Cornwall, representing different farming sectors. We also welcomed Rothamsted Research as a LEAF Innovation Centre.
- Invested significantly in our programme of BASIS accredited on-farm and on-line farmers and advisor training events on IFM, LEAF Marque and the LEAF Sustainable Farming Review in order to support the increasing number of farmers requiring LEAF Marque certification. Our programme of member surgeries continued throughout the year, we ran a number of face-to-face technical events, and developed our digital offering through webinars, technical videos and online workshops.
- Our involvement in a wide range of UK and European project with farmers, industry partners and researchers continued through this financial year. Topics covered Integrated Pest Management, diversification of cropping systems, peer-to-peer learning, cover crops and earth observation.
- We saw the culmination of a one-year project supporting ten farmers with meeting their net-zero targets and published a case study booklet highlighting key results from each farm. Funding for the continuation of the 'Nature Based Solutions' project was received and worked started with eight farmers to help them accelerate more sustainable farming through IFM.
- We continued to build on our Beacons of Excellence programme looking at regenerative agriculture and agroecology. Twenty-two different farms and farming organisations have come together through workshops, meetings, farmer support, benchmarking, and the development of technical resources to promote best practice.
- We started a new three-year project, supported by the Coop Foundation, supporting the implementation of more sustainable, integrated practices across four farms. The farmers are working towards joining the LEAF Network as our first Net-Zero Demonstration Farms to act as hubs for training and inspiration for other farmers.
- Our LEAF Annual Conference brought together key industry figures to discuss and debate the future of food and farming. It was attended by over 150 delegates, and speakers were Nick Padwick, Farm Directors at Ken Hill Estate, Caroline Mason, Found of Seeds to Thrive and Ed Ikin, Director of Wakehurst. Our inaugural LEAF Lecture was given by Professor Mike Berners-Lee.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Developing market opportunities

LEAF Marque certification is a powerful catalyst for change. It offers a coherent framework for helping translate both national and global sustainability commitments into reality at farm level. It also enables farming businesses to profile their environmental commitments and achievements and, crucially, to gain recognition in the marketplace. It helps farms access other income streams such as through agri-environmental schemes and can often lead to significant cost savings through great efficiency.

Key achievements include:

- The year has seen unprecedented growth in the uptake of LEAF Marque certification by many leading UK retailers. Building on the continued commitment of Waitrose and Marks and Spencers and joining Lidl and Tesco (who adopted LEAF in the previous financial year) Aldi and Asda announced the roll out of LEAF Marque across their global fresh produce sectors.
- To reflect the period of growth and uptake, we unveiled a new LEAF Marque logo, with a strong and simple visual, clearly identifiable on pack, applicable to all farming sectors and relatable to consumers.
- Relationships with major food brands including Quaker Oats, Jordans Cereals continued as they require their growers to become LEAF Marque certified.
- The results of our tenth Global Impacts Report were released showing the impact of LEAF Marque certified businesses across the nine areas of Integrated Farm Management.
- Following an extensive 2-year public consultation, we published the latest version of the LEAF Marque Standard, with important developments in key areas including climate resilience, landscape and nature conservation, greenhouse gases and carbon footprinting, soil health and deforestation.

Educating and Engaging Society

Inspiring people and future generations about farming and food production is a key element of Integrated Farm Management. Building relationships and encouraging a genuine exchange and understanding between farmers and the public is a key driver in the delivery of more sustainable farming. It is a two-way interaction that encourages critical awareness not only of the environmental issues surrounding farming but of the wider personal, ethical, and cultural impacts of food production. The focus of LEAF Education is engaging and inspiring young people and wider society, through experiential learning, outreach opportunities, teacher and farmer training, on-farm visits, and curriculum related resources.

Key achievements include:

- Continued work with schools, teachers, trainee teachers, farmers, and parents to educate and connect young people with farming, how their food is produced and the natural environment.
- We worked with over 35,000 young people, delivering bespoke sessions both on-farm and in-classroom. Some 1500 teachers received training and support or wider CPD training and nearly 500 farmers were supported with wider professional development including industry recognised CEVAS training.
- More than 300,000 young people took part in Farming Fortnight 2022. A two week focus on farming and food production, offering a wide range of national curriculum linked resources on farming, food production and the natural environment, supporting teacher in delivering inspiring lessons and activities.
- LEAF Education's National Competition in Food, Farming and Natural Environment, supported by Bayer was held at Coleg Cambria in North Wales. The competition offered secondary school students the chance to visit a real working farm and learn more about career opportunities in the agri-food sector.
- #FarmMyFood held in partnership with Hampshire Fare, brought together a range of experts to give GCSE students a better insight in their own nutritional health and highlight career opportunities.
- Expansion of LEAF Demonstration Schools with the launch of two more schools to promote food and farming education across the curriculum.
- Continuation of teenager research, in partnership with Harper Adams School of Sustainable Food and Farming and McDonalds, looking at young people's perceptions and understanding of the agri-food sector. Results of the research will be published in July 2023.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

- The farming industry's annual open day, LEAF Open Farm Sunday 2022, saw 250 farms all over the UK welcoming 175,000 people.

Governance

LEAF's Board of Trustees is responsible for the overall Governance of the charity. 6 board meetings have been held, together with initially weekly and now fortnightly meetings with the Chairman acting as interim CEO.

LEAF's ten-year strategy (2021-2031) was launched in November 2020. Building on LEAF's core capabilities and strengths it is an advancement of our work in developing and demonstrating more sustainable agriculture through Integrated Farm Management and is based around the principles of Circular Agriculture.

The LEAF Sub Committees continue to inform LEAF policy and strategic thinking to ensure we are delivering on our objectives and retain robustness and transparency.

FINANCIAL REVIEW

As the Charity expected to see significant growth following the adoption of the LEAF Marque Assurance System by major retailers and brands, it took a decision based on the strength of its reserves to further invest in personnel and resources to ensure it was positioned to deliver for that growth whilst accepting a budget that could result in a deficit of £150,233 in the 2022/23 financial year. In the end, the Charity has experienced a marginal increase in its income this year (£2,072,555 versus £2,072,555 in 2022) and expenditure was well controlled resulting in a final deficit of £133,520 which was better than forecast by some £16,673. The final result being an overall decrease in net funds of -£133,520 (2022 increase of £253,932). The charity looks to use the budget as its main key performance indicator and any improvement in income or reduction in expenditure is looked upon favourably.

LEAF Marque Limited made a profit of £Nil (2021 £Nil) during the year, after a gift aid donation to LEAF of £59,582 (2022: £60,618), giving rise to net assets of £5,083 (2022: £5,083).

Insurance

Insurance has been taken out by the charity under Section 232(2) of the Companies Act 2006, costing £1,760 (2022: £1,660) for its trustees and officers against liabilities in relation to the charity.

Reserves

The Trustees have set a reserves policy which requires reserves to be maintained at a level which ensures LEAF's core activity could continue during a period of unforeseen difficulty (of not less than 4 months) and reserves be maintained in a readily realisable form. The calculation of the required level of reserves is an integral part of the organisation's planning, budget, and forecast cycle. It considers risks associated with each stream of income and expenditure being different from that budgeted, planned activity levels and the organisations commitments. The reserves levels are closely monitored as part of the management reporting and Trustees will adjust policy dynamically by resolution in line with the associated risks. The current reserves policy aims for minimum free reserves of £525,000 (2022: £525,000). Actual free undesignated reserves at 31 March 2023 were £1,180,046 (2022: £1,297,916). Recognising the relative strength of reserves and the need to continue to maintain and wherever practicable increase its capacity and capability to meet future demands, the Trustees have approved a budget deficit of £63,736 for the 2023-24 financial year.

Investment policy

Any surplus funds are placed on short term deposit.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2023**

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies (Note 2.2).

PLANS FOR FUTURE ACTIVITIES

The demand in LEAF's services has grown significantly during this financial year and we expect this trend to continue. As retailers and food brands recognise the urgent need to demonstrate their commitment to more sustainable farming and to meeting global net-zero targets, the value of LEAF Marque in supporting their ambitions is unquestionable. As retailer on-boarding continues, our response to providing growers with the resources and training they need to achieve certification remains steadfast.

LEAF Marque is not simply an environmental assurance system. It is backed up by our hugely respected technical and education capabilities. Underpinning our ten-year strategy are eight core workstreams – reflecting our determination to deliver positive action for climate, nature, economy, and society. Increasingly, our focus is on global farming and food systems. Continuing investment in our management tools, harmonisation of metrics, technology, training, research and demonstration, our sights are firmly set on supporting and contributing to the practical delivery of national and global sustainability commitments. These include the Sustainable Development Goals, the Paris Agreement and the Post 2020 Biodiversity Framework.

Building on our core capabilities and strengths we will continue to drive collective action among our LEAF Marque certified growers, our members, industry partners, global stakeholders, young people and wider society. Together, we will strive for a more sustainable farming future.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

AUDITORS

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. A resolution concerning the appointment of auditors for the ensuing year will be proposed at the September 2023 Board Meeting.

By order of the Board

Approved by order of the members of the board of Trustees and signed on their behalf by:



P G Wynn
Chair of Trustees

Date: 26/10/23

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING

OPINION

We have audited the financial statements of Linking Environment And Farming (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 Financial Reporting Standard 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 Group's and of the parent charitable company's affairs as at 31 March 2023 and of the Group's incoming resources and application of resources, including its income and expenditure 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 and the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

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

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

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING
(CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees 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 Trustees are responsible for assessing the Group's and the parent charitable 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 Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING
(CONTINUED)**

AUDITORS' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and noncompliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management and the board about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
- identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
- detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
- the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in
- the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the company for fraud, which included incorrect recognition of revenue and management override of controls using manual journal entries, and these were identified as the greatest potential area for fraud.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that Greenbridge Designs Limited operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included FRS 102, the UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included relevant product safety standards, occupational health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of management and those charged with governance concerning actual and potential litigation and claims;

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING
(CONTINUED)**

- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Wood FCCA (Senior Statutory Auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Senior Statutory Auditors

1-3 College Yard

Worcester

WR1 2LB

Date: 27th October 2023

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2023**

		Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	As restated Total funds 2022 £
	Note				
Income from:					
Donations and legacies	3	146,707	-	146,707	137,822
Charitable activities	4	1,349,467	401,349	1,750,816	1,720,559
Other trading activities	5	175,009	-	175,009	137,651
Investments	6	23	-	23	70
Other income	7	-	-	-	25,515
Total income		1,671,206	401,349	2,072,555	2,021,617
Expenditure on:					
Raising funds		56,182	-	56,182	102,548
Charitable activities	8	1,898,553	251,340	2,149,893	1,665,137
Total expenditure		1,954,735	251,340	2,206,075	1,767,685
Net movement in funds		(283,529)	150,009	(133,520)	253,932
Reconciliation of funds:					
Total funds brought forward		1,038,717	279,931	1,318,648	1,064,716
Net movement in funds		(283,529)	150,009	(133,520)	253,932
Total funds carried forward		755,188	429,940	1,185,128	1,318,648

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 18 to 40 form part of these financial statements.

LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03035047

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2023

		2023	As restated
	Note	£	2022
			£
Fixed assets			
Intangible assets	13	29,359	554
Tangible assets	14	60,400	70,189
Investments	15	322	322
		90,081	71,065
Current assets			
Debtors	16	616,408	589,255
Cash at bank and in hand		670,778	1,057,349
		1,287,186	1,646,604
Creditors: amounts falling due within one year	17	(192,139)	(399,021)
Net current assets		1,095,047	1,247,583
Total net assets		1,185,128	1,318,648
Charity funds			
Restricted funds	21	429,940	279,931
Unrestricted funds	21	755,188	1,038,717
Total funds		1,185,128	1,318,648

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



P G Wynn
Chair of Trustees

Date: 26/10/23

The notes on pages 18 to 40 form part of these financial statements.

LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03035047

CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2023

	Note	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Intangible assets	13		29,359		554
Tangible assets	14		60,400		70,189
Investments	15		322		322
			90,081		71,065
Current assets					
Debtors	16	708,440		664,151	
Cash at bank and in hand		567,109		959,834	
		1,275,549		1,623,985	
Creditors: amounts falling due within one year	17	(185,584)		(381,484)	
Net current assets			1,089,965		1,242,501
Total net assets			1,180,046		1,313,566
Charity funds					
Restricted funds	21		405,180		270,821
Unrestricted funds	21		774,866		1,042,745
Total funds			1,180,046		1,313,566

The Charity's net movement in funds for the year was £(117,870) (2022 - £253,932).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:



P G Wynn
Chair of Trustees

Date: 26/10/23

The notes on pages 18 to 40 form part of these financial statements.

LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2023

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	(338,757)	(7,969)
Cash flows from investing activities		
Investment income	23	70
Purchase of intangible assets	(31,600)	-
Purchase of tangible fixed assets	(16,190)	(37,630)
Net cash used in investing activities	(47,767)	(37,560)
Cash flows from financing activities		
Interest element of hire purchase contracts	(47)	(585)
Capital element of hire purchase contracts	-	(7,688)
Net cash used in financing activities	(47)	(8,273)
Change in cash and cash equivalents in the year	(386,571)	(53,802)
Cash and cash equivalents at the beginning of the year	1,057,349	1,111,151
Cash and cash equivalents at the end of the year	670,778	1,057,349

The notes on pages 18 to 40 form part of these financial statements

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

1. GENERAL INFORMATION

Linking Environment and Farming is a charitable company limited by guarantee incorporated in England & Wales and domiciled in England.

The registered office is National Agricultural Centre, Stoneleigh Park, Kenilworth, Warwickshire, CV8 2LG. The charitable company's registered number is 03035047.

In the event of the charity being wound up, each member has undertaken to contribute towards its liabilities a sum of not exceeding ten pounds.

The charity is registered as a charity, no 1045781, with the Charity Commission and is exempted from Corporation Tax on its income in the year.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Linking Environment And Farming meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The presentation currency for the group and the charitable company during the year was Sterling, and are rounded to the nearest £1.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking, LEAF Marque Limited, for the year. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2. ACCOUNTING POLICIES (continued)

2.2 GOING CONCERN

The Trustees have reviewed all information available to them and do not consider there to be any significant doubts about the charitable company's ability to continue as a going concern. These financial statements have therefore been prepared on this basis.

The Trustees have prepared budgets and cash flow forecasts to for a period of at least 12 months following the date of approval of the financial statements. The Group has a net asset value as at 31 March 2023 of £1,185,128 (2022: £1,302,998) and cash at bank and in hand of £670,788 (2022: £1,057,349). On this basis the financial statements have been prepared on a going concern basis.

The Trustees' assumptions and outlook consider the impact and uncertainty that the COVID-19 pandemic may have on the group. Updated projections have been put in place that consider a worst-case scenario in order to make sure the charitable company continues during these unprecedented times. This is being monitored on a weekly basis. The Trustees have also taken advantage of the government assistance, mainly the Coronavirus Job Retention Scheme.

The financial statements do not reflect the adjustments that would be necessary should the ability of the Charitable Company to operate be jeopardised due to a material issue with the availability of its work force, the level of demand for its services or a material decrease in revenues or grant funding.

2.3 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2.4 INCOME

Voluntary income including donations and grants that provide core funding or are of a general nature are recognised when there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income is only deferred when the donor specifies that the grant or donation can only be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is accounted for when receivable.

Commission/membership income is accounted for, in full, when received.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2. ACCOUNTING POLICIES (continued)

2.5 EXPENDITURE

Expenditure is recognised on an accruals basis when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied.

Support costs include central functions.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

2. ACCOUNTING POLICIES (continued)

2.6 INTANGIBLE ASSETS AND AMORTISATION

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets are amortised on a straight line basis over their estimated useful life. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The estimated useful lives are as follows:

Website development	- 3 years
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2.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged by equal annual instalments commencing with the date of acquisition at rates estimated to write off their cost less any residual value over their expected useful lives which are as follows:

Long-term leasehold property improvements	- Over the life of the lease
Motor vehicles	- 5 years
Furniture and equipment	- 3 - 10 years

2.8 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

2.9 INVESTMENTS

Fixed asset investments are a form of financial instrument and are recognised at mid-market value at the balance sheet date.

2.10 RETIREMENT BENEFITS

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2.11 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2. ACCOUNTING POLICIES (continued)

2.12 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

2.13 HIRE PURCHASE AGREEMENTS

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets at their fair value. Assets acquired by hire purchase are depreciated over their useful lives. The capital element of the future payments is treated as a liability and the interest is charged to the Consolidated Statement of Financial Activities on a straight line basis.

2.14 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

2.15 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.16 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.17 LIABILITIES

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt after allowing for any trade discounts due or the amount it has received as advanced payments for the goods or services it must provide.

2.18 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Financial assets and liabilities that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

Financial assets and liabilities that are measured at fair value are determined using active market rate.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

3. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Donations	146,707	-	146,707	137,822
	<u>146,707</u>	<u>-</u>	<u>146,707</u>	
TOTAL 2022	132,833	4,989	137,822	
	<u>132,833</u>	<u>4,989</u>	<u>137,822</u>	

4. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Membership renewals	638,530	-	638,530	571,499
Sponsorship	340,023	70,235	410,258	603,632
Project funding, grants, research and talks	313,095	148,565	461,660	512,358
Other income and DBS	57,819	182,549	240,368	33,070
	<u>1,349,467</u>	<u>401,349</u>	<u>1,750,816</u>	<u>1,720,559</u>
TOTAL 2023	1,349,467	401,349	1,750,816	1,720,559
	<u>1,349,467</u>	<u>401,349</u>	<u>1,750,816</u>	
TOTAL 2022	1,382,229	338,330	1,720,559	
	<u>1,382,229</u>	<u>338,330</u>	<u>1,720,559</u>	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

5. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2023 £	Total funds 2023 £	As restated Total funds 2022 £
Income from LEAF Marque Limited	175,009	175,009	137,651
TOTAL 2022 AS RESTATED	137,651	137,651	

The wholly owned trading subsidiary LEAF Marque Limited is incorporated in England and Wales (company number 04454468) and pays all of its profits to the Charity under the Gift Aid scheme. During the year ended 31 March 2023 LEAF Marque Limited reported income of £175,009 (2022: £137,651) and expenditure of £115,427 (2022: £118,198). Gift Aid of £75,232 (2022: £44,968) was paid to the Charity in respect of LEAF Marque Limited's profit for the year.

6. INVESTMENT INCOME

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Dividends received	15	15	6
Interest receivable	8	8	64
TOTAL 2023	23	23	70
TOTAL 2022	70	70	

7. OTHER INCOMING RESOURCES

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Other operating income	-	-	25,515
TOTAL 2022	25,515	25,515	

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total 2023 £	Total 2022 £
Integrated Farm Management	1,898,553	251,340	2,149,893	1,476,539
Education	-	-	-	188,598
TOTAL 2023	1,898,553	251,340	2,149,893	1,665,137
TOTAL 2022	1,476,540	188,597	1,665,137	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	Total funds 2022 £
Integrated Farm Management	1,969,754	180,139	2,149,893	1,476,539
Education	-	-	-	188,598
TOTAL 2023	1,969,754	180,139	2,149,893	1,665,137
TOTAL 2022	1,474,098	191,039	1,665,137	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Integrated farm management 2023 £	Education 2023 £	Total funds 2023 £	Total funds 2022 £
Staff costs	1,304,636	-	1,304,636	875,376
Staff welfare and recruitment	73,629	-	73,629	24,338
Premises	22,921	-	22,921	29,178
Travel and subsistence	43,881	-	43,881	29,801
Hospitality and meeting costs	16,971	-	16,971	7,204
Training	9,421	-	9,421	2,418
Printing, postage, stationery and telephone	78,503	-	78,503	46,294
PR & marketing	85,217	-	85,217	70,714
Professional and consultancy fees	141,651	-	141,651	188,557
Website costs	72,422	-	72,422	87,902
Subscriptions	12,538	-	12,538	6,564
Repairs and maintenance	16,327	-	16,327	9,638
Field team	91,637	-	91,637	96,114
TOTAL 2023	1,969,754	-	1,969,754	1,474,098
TOTAL 2022	1,286,525	187,573	1,474,098	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Integrated farm management 2023 £	Education 2023 £	Total funds 2023 £	Total funds 2022 £
Depreciation and amortisation	28,773	-	28,773	32,303
Premises	9,823	-	9,823	12,552
Travel and subsistence	18,807	-	18,807	10,976
Hospitality and meeting costs	7,274	-	7,274	8,303
Audit and accountancy	28,773	-	28,773	28,022
Professional and consultancy fees	65,416	-	65,416	81,733
Subscriptions	5,374	-	5,374	2,812
Repairs and maintenance	6,997	-	6,997	4,130
General expenses	14,398	-	14,398	4,154
Bank charges	6,112	-	6,112	4,807
Hire purchase interest	47	-	47	585
Governance costs	244	-	244	662
Profit/Loss on Disposal on Fixed Asset	(11,899)	-	(11,899)	-
TOTAL 2023	180,139	-	180,139	191,039
TOTAL 2022	190,014	1,025	191,039	

Relevant costs are split between direct and support in a ratio of 70:30 respectively.

10. AUDITORS' REMUNERATION

The auditors' remuneration amounts to an auditor fee of £14,050 (2022: £11,150), and accounts preparation and tax compliance services of £1,550 (2022: £3,650).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

11. STAFF COSTS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Wages and salaries	1,030,539	684,806	972,877	684,806
Social security costs	112,703	72,319	112,703	72,319
Contribution to defined contribution pension schemes	161,394	118,251	161,394	118,251
	<u>1,304,636</u>	<u>875,376</u>	<u>1,246,974</u>	<u>875,376</u>

The average number of persons employed by the Charity during the year was as follows:

	Group 2023 No.	Group 2022 No.
Employees	<u>35</u>	<u>26</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2023 No.	Group 2022 No.
In the band £60,001 - £70,000	<u>2</u>	<u>-</u>
In the band £70,001 - £80,000	<u>-</u>	<u>1</u>

The key management personnel of the group comprises the Trustees and the Senior Management Team. The total employee benefits of the key management personnel were £242,300 (2022: £323,500).

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2022 - £NIL).

During the year ended 31 March 2023, no expenses were reimbursed or paid directly to any Trustees. (2022: £NIL).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

13. INTANGIBLE ASSETS

GROUP AND CHARITY

	Website development £
COST	
At 1 April 2022	88,393
Additions	31,600
At 31 March 2023	<u>119,993</u>
AMORTISATION	
At 1 April 2022	87,839
Charge for the year	2,795
At 31 March 2023	<u>90,634</u>
NET BOOK VALUE	
At 31 March 2023	<u><u>29,359</u></u>
At 31 March 2022	<u><u>554</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

14. TANGIBLE FIXED ASSETS

GROUP AND CHARITY

	Long-term leasehold property improvements £	Motor vehicles £	Furniture and equipment £	Total £
COST OR VALUATION				
At 1 April 2022	50,055	46,174	168,539	264,768
Additions	-	-	16,190	16,190
Disposals	-	(46,174)	-	(46,174)
At 31 March 2023	50,055	-	184,729	234,784
DEPRECIATION				
At 1 April 2022	18,613	42,976	132,990	194,579
Charge for the year	3,858	3,198	18,923	25,979
On disposals	-	(46,174)	-	(46,174)
At 31 March 2023	22,471	-	151,913	174,384
NET BOOK VALUE				
At 31 March 2023	27,584	-	32,816	60,400
At 31 March 2022	31,442	3,198	35,549	70,189

Assets held under finance leases and hire purchase agreements

Included within the net book value of £60,400 (2022: £70,189) is an amount of £Nil (2022: £3,198) relating to assets held under finance leases and hire purchase agreements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

15. FIXED ASSET INVESTMENTS

CHARITY	Investments £
COST OR VALUATION	
At 1 April 2022	322
AT 31 MARCH 2023	322
NET BOOK VALUE	
AT 31 MARCH 2023	322
AT 31 MARCH 2022	322

Investments held by the Charity include a £1 (2022: £1) investment in the subsidiary company, LEAF Marque Limited. This represents the Trustees' estimate of the market value of this investment. The investment represents the entire share capital of LEAF Marque Limited, a company incorporated in England and Wales. The company was incorporated on 5 June 2002. The principal activity of LEAF Marque Limited is to promote Integrated Farm Management through the use of the LEAF Marque trademark. The activities and results of this company are summarised in Note 7.

16. DEBTORS

	Group 2023 £	Group As restated 2022 £	Charity 2023 £	Charity As restated 2022 £
DUE WITHIN ONE YEAR				
Trade debtors	234,880	369,859	220,806	357,065
Amounts owed by group undertakings	-	-	130,525	138,453
Other debtors	1,134	28,219	1,134	20,329
Prepayments and accrued income	380,394	191,177	355,975	148,304
	616,408	589,255	708,440	664,151

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Trade creditors	23,589	88,547	23,539	82,352
Other taxation and social security	50,012	105,593	50,007	97,251
Obligations under finance lease and hire purchase contracts	-	2,711	-	2,711
Other creditors	17,101	13,153	17,101	13,153
Accruals and deferred income	101,437	189,017	94,937	186,017
	192,139	399,021	185,584	381,484
	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Deferred income at 1 April 2022	191,576	390,818	191,576	390,818
Resources deferred during the year	115,312	46,883	115,312	46,883
Amounts released from previous periods	(17,507)	(246,125)	(17,507)	(246,125)
	289,381	191,576	289,381	191,576

Deferred income comprises grant and other income received in respect of various projects.

Secured debts:

Obligations under finance lease and hire purchase contracts of £Nil (2022: £2,711) are secured against the assets financed.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

18. FINANCIAL INSTRUMENTS

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
FINANCIAL ASSETS				
Financial assets measured at fair value through income and expenditure	670,779	1,057,349	567,109	959,834

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand

19. CORPORATION TAX

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

20. PRIOR YEAR ADJUSTMENTS

A prior year adjustment has been made in the financial statements of Leaf Marque Limited for the year ended 31 March 2022, relating to the recognition of an additional £15,650 of royalty income. The impact of this adjustment has been an increase in the turnover, profits and distribution to Linking Environment and Farming in the year ended 31 March 2022. The prior year consolidated figures have been amended to reflect this adjustment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

21. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Balance at 31 March 2023 £
UNRESTRICTED FUNDS				
DESIGNATED FUNDS				
Designated Funds - all funds	66,381	-	-	66,381
GENERAL FUNDS				
General Funds - all funds	972,336	1,671,206	(1,954,735)	688,807
TOTAL UNRESTRICTED FUNDS	1,038,717	1,671,206	(1,954,735)	755,188
RESTRICTED FUNDS				
EU Horizon 2020	51,050	140,553	(130,167)	61,436
Chef on the Farm	8,070	11,716	(7,017)	12,769
ATF/Cevas	25,042	38,908	(25,167)	38,783
FarmerTime	119,144	500	(61,955)	57,689
Countryside classroom	70,162	67,275	(27,034)	110,403
ISEAL	6,463	-	-	6,463
Beacons of Excellence	-	35,000	-	35,000
#FarmMyFood	-	8,000	-	8,000
Carbon Innovation Fund	-	99,397	-	99,397
	279,931	401,349	(251,340)	429,940
TOTAL OF FUNDS	1,318,648	2,072,555	(2,206,075)	1,185,128

21. STATEMENT OF FUNDS (CONTINUED)

Unrestricted funds are those which can be used in accordance with the charitable objectives at the discretion of the Trustees, as defined in the accounting policies.

The Trustees have designated funds which represent the unrestricted fixed assets of the Charity. The transfer relates to the movement on these unrestricted fixed assets.

Restricted funds are those held for specific purposes, as specified by the funder, as defined in the accounting policies.

FUND DESCRIPTIONS:

EU Horizon - This restricted fund relates to the grant funds projects under this scheme, which commenced in the 2016/17 and 2017/18 financial years.

Chef on the Farm - This restricted fund relates to the project under this scheme, which commenced post FACE merger.

ATF/Cevas - This restricted fund relates to the project under this scheme, which commenced post merger.

FarmerTime - This restricted fund relates to the project under this scheme, which commenced during 2019.

ISEAL - This restricted fund relates to the project under this scheme, which is carried out by LEAF Marque, and commenced during the 2020/21 financial year.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

21. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2021 £	As restated Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Designated Funds - all funds	66,381	-	-	-	66,381
GENERAL FUNDS					
General Funds - all funds	891,126	1,678,298	(1,579,088)	(18,000)	972,336
TOTAL UNRESTRICTED FUNDS	957,507	1,678,298	(1,579,088)	(18,000)	1,038,717
RESTRICTED FUNDS					
EU Horizon 2020	-	181,185	(130,135)	-	51,050
Chef on the Farm	3,377	8,890	(4,197)	-	8,070
ATF/Cevas	12,012	27,195	(14,165)	-	25,042
FarmerTime	50,840	64,289	(13,985)	18,000	119,144
Countryside classroom	34,517	61,760	(26,115)	-	70,162
ISEAL	6,463	-	-	-	6,463
	107,209	343,319	(188,597)	18,000	279,931
TOTAL OF FUNDS	1,064,716	2,021,617	(1,767,685)	-	1,318,648

FUND DESCRIPTIONS:

EU Horizon - This restricted fund relates to the grant funds projects under this scheme, which commenced in the 2016/17 and 2017/18 financial years.

Chef on the Farm - This restricted fund relates to the project under this scheme, which commenced post FACE merger.

ATF/Cevas - This restricted fund relates to the project under this scheme, which commenced post merger.

FarmerTime - This restricted fund relates to the project under this scheme, which commenced during 2019.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023

22. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2022 £	Income £	Expenditure £	Balance at 31 March 2023 £
Designated funds	66,381	-	-	66,381
General funds	972,336	1,671,206	(1,954,735)	688,807
Restricted funds	279,931	401,349	(251,340)	429,940
	1,318,648	2,072,555	(2,206,075)	1,185,128

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2021 £	As restated Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Designated funds	66,381	-	-	-	66,381
General funds	891,126	1,678,298	(1,579,088)	(18,000)	972,336
Restricted funds	107,209	343,319	(188,597)	18,000	279,931
	1,064,716	2,021,617	(1,767,685)	-	1,318,648

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	60,400	-	60,400
Intangible fixed assets	29,359	-	29,359
Fixed asset investments	321	-	321
Current assets	857,247	429,940	1,287,187
Creditors due within one year	(192,139)	-	(192,139)
TOTAL	755,188	429,940	1,185,128

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	70,189	-	70,189
Intangible fixed assets	554	-	554
Fixed asset investments	322	-	322
Current assets	1,366,673	279,931	1,646,604
Creditors due within one year	(399,021)	-	(399,021)
TOTAL	1,038,717	279,931	1,318,648

24. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2023 £	Group 2022 £
Net income/expenditure for the year (as per Statement of Financial Activities)	(133,520)	253,932
ADJUSTMENTS FOR:		
Depreciation charges	25,979	22,088
Amortisation charges	2,795	11,325
Investment income	(23)	(70)
Interest paid	47	585
Increase in debtors	(57,213)	(106,103)
Decrease in creditors	(175,529)	(174,076)
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	(337,464)	7,681

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2023 £	Group 2022 £
Cash in hand	670,778	1,057,349

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2023**

26. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2022 £	Cash flows £	At 31 March 2023 £
Cash at bank and in hand	1,057,349	(386,570)	670,779
Finance leases	(2,711)	2,711	-
	<u>1,054,638</u>	<u>(383,859)</u>	<u>670,779</u>

27. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £161,394 (2022: £118,251). As at the year end, the Charity had outstanding pension contributions of £16,986 (2022: £11,561).

28. OPERATING LEASE COMMITMENTS

At 31 March 2023 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2023 £	Group 2022 £	Charity 2023 £	Charity 2022 £
Not later than 1 year	26,035	18,126	26,035	18,126
Later than 1 year and not later than 5 years	44,504	47,437	44,504	47,437
	<u>70,539</u>	<u>65,563</u>	<u>70,539</u>	<u>65,563</u>

29. FINANCE LEASE COMMITMENTS

Minimum lease payments under hire purchase and finance lease agreements fall due as follows:

	2023 £	2022 £
Within 1 year	-	2,711
Between 2 - 5 years	-	-
	<u>-</u>	<u>2,711</u>

30. RELATED PARTY TRANSACTIONS

During the year the Charity traded with the John Innes Foundation, a charity in which K R Norman is a trustee. The Charity received income during the year of £NIL (2022: £7,250) in respect of project work undertaken during the financial year. At the year end a balance of £NIL (2022: £NIL) was due from John Innes Foundation.

During the year the Charity traded with Waldersley Farms Limited, a company in which C R Porter is a director. The Charity received membership income during the year of £NIL (2022: £530). At the year end a balance of £NIL (2022: £NIL) was due from Waldersley Farms Limited.

During the year the Charity traded with Dyson Farming Limited, a company in which P G Wynn is a director. During the year the Charity paid for services of £NIL (2022: £75). At the year end a balance of £NIL (2022: £NIL) was due from Beeswax Dyson Farming Limited.

During the year the Charity traded with Southfield Growers LLP, a partnership in which A J Davison is a member. During the year the Charity received income of £51,346 (2022: £NIL), and incurred expenditure of £201,201. At the year end, balances of £NIL (2022: £NIL) was due from, and £NIL (2022: £NIL) due to Southfield Growers LLP.

During the year the Charity traded with Eppel Sustainability Limited, a company in which S C Eppel is a director. During the year the Charity received income of £41,904 (2022: £NIL). At the year end a balance of £NIL (2022: £NIL) was due from Eppel Sustainability Limited.

The charity has taken advantage of the exemptions available under FRS 102 Section 33.1A and has not disclosed transactions with its subsidiary undertaking, LEAF Marque Limited.

Trustees made donations totalling £1,000 in the year to 31 March 2023 (2022: £NIL).

LINKING ENVIRONMENT AND FARMING

England & Wales - Charity number 1045781

Accounts

LINKING ENVIRONMENT AND FARMING

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

LINKING ENVIRONMENT AND FARMING

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LINKING ENVIRONMENT AND FARMING

CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 31 MARCH 2022

The chairman presents his statement for the year.

As we began to emerge from the impact of the Coronavirus pandemic, the past financial year 2021/2022 has essentially been one of unprecedented investment and growth. It was a significant year for both LEAF and the wider farming industry. We began 2021 (our 30th anniversary year) with a new 10 year-strategy building on our heritage and taking sustainable farming to the next level, embracing circular agriculture with health, diversity and enrichments at its core. More broadly, UK farming transitioned away from the CAP to a new support structure and in November 2021, world leaders came together for COP26 to accelerate action towards the goals of the Paris Agreement and the UN Framework Convention on Climate Change.

Against this backdrop, the impact of both the pandemic and climate events placed sustainability, food security and resilience very much at the forefront. The position of LEAF Marque within our food system, recognised and respected as a global environmental assurance system, significance strengthened during the year with the announcement from Tesco and Lidl that they would be requiring all their fresh produce growers to become LEAF Marque certified. Added to this, Pepsico also announced that its UK oat growers would become LEAF Marque certified by the end of 2022. Building on the vision and commitment of others before them, including Waitrose, M&S and many independent food brands, the growth in uptake of LEAF Marque signals a significant moment for the organisation. It will help drive an important part of our strategic plan to see 85% of UK fruit and vegetables grown on LEAF Marque certified businesses over the next five years.

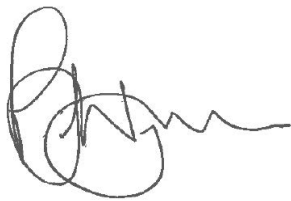
In order to support the expected growth in members and demand for our services, we have invested heavily in staff recruitment during the year across all departments and this is set to continue into the next financial year.

We continued to expand on our LEAF Network to support our knowledge generation and exchange capabilities, with the launch of two new Innovation Centres. Throughout the year we delivered on-line and in-person training events and webinars and continue to build on our management tools and services to help farmers transition to more regenerative farming. We also started to progress our new Beacons of Excellence to act as centres of excellence for carbon, energy, waste, and biodiversity. Our involvement with both UK based and EU projects continued all aimed at pooling expertise and resources to address shared climate change challenges through online meetings, virtual field events and webinars.

The impact of our education and public engagement activities grew with LEAF Education recording its highest levels of engagement to date with a five-fold increase in the number of people it worked with through Farmer Time, Farming Fortnight, our national farming competition and Countryside Classroom. Similarly, we saw the return to on-farm events its reach extending further across the year with spring and autumn virtual events.

This is a vital and exciting time for sustainable farming and for LEAF. With national and global net-zero targets, agriculture is under an intense spotlight, but in terms of its environmental impact and as a big part of the solution. LEAF's integrated, whole farm approach offers farming and the wider food industry a practical framework to advance better, smarter, more climate positive farming solutions. Coupled with the growing support of retailers, food brand and government policy, the future looks positive, and we look ahead to our fourth decade with confidence.

Philip Wynn
Chairman
Date: 2/11/22



LINKING ENVIRONMENT AND FARMING

TRUSTEES' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Trustees present their report and the financial statements for the year ended 31 March 2022. The charity is known as LEAF (Linking Environment And Farming).

REFERENCE AND ADMINISTRATIVE DETAIL

LEAF is a registered charity and a registered company limited by guarantee.

Charity number 1045781
Company number 03035047

The principal office is at National Agricultural Centre, Stoneleigh Park, Warwickshire, CV8 2LG.

"The Registered Office" means the office of the Charity at:
National Agricultural Centre
Stoneleigh Park
Warwickshire
CV8 2LG

Legal status

The charity is limited by guarantee. In the event of the charity being wound up, each member may be required to contribute a maximum of ten pounds.

Trustees

The Trustees of the charity, who are also its Directors, are as follows:

C W Porter (Vice Chairman)
S C Eppel
I A Ashbridge (Vice Chairman)
I Pigott
P G Wynn (Chairman)
T M C Green
A J Davison
K R Norman (Retired February 2022)
M F Young
E K Penny
Professor R J Rickson
Ana Romero Salcedo (Appointed 1st March 2022)

Executive Leadership Team

Chief Executive
Chief Operating Officer
Director, of Business Development
Director, Education and Public Engagement
Director, Technical

Caroline Drummond (Deceased, 23rd May 2022)
Stephen Jones
Clare Mike
Carl Edwards
Vicky Robinson

LINKING ENVIRONMENT AND FARMING

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Bankers

National Westminster Bank Plc
PO Box 137
59 The Parade
Leamington Spa
Warwickshire
CV32 4BA

Solicitors

Lodders Solicitors LLP
Number Ten
Elm Court
Arden Street
Stratford Upon Avon
Warwickshire
CV37 6PA

Independent Auditor

Bishop Fleming LLP
1 – 3 College Yard
Worcester
WR1 2LB

STRUCTURE, GOVERNANCE AND MANAGEMENT

LEAF (Linking Environment And Farming) is a nonprofit making, membership-based charity. It was founded in 1991 and became a registered charity in 1995. LEAF develops and promotes Integrated Farm Management (IFM). IFM is a whole farm approach combining traditional farming with modern technology. LEAF works to develop and communicate best practice messages to farmers, the agricultural and food industry and non-farmers.

LEAF supports its members to adopt and promote more sustainable farming practices through the adoption of IFM. Specifically, through the provision of management tools, technical information, training and talks. LEAF Marque is an independent assurance scheme, developed by LEAF. LEAF Marque Limited is a wholly owned subsidiary company of LEAF the Charity, incorporated in 2002.

LEAF benefits from a significant voluntary contribution from a network of LEAF Demonstration Farmers, Innovation Centres and supporters, the many farmers and helpers involved in LEAF Open Farm Sunday and from representation on the main management committees of LEAF: the LEAF Board, Policy and Strategic Development Committee and Advisory Board as well as additional committees supporting LEAF Marque.

The governing documents are the Memorandum and Articles of Association and membership rules.

The Trustees are the Board of Directors of the Charity. They are principally responsible for the governance of the Charity. The Trustees are selected by the principal management committees and the Chairman is usually a farmer who serves three to six years in that position. The Chairman is elected by the Board of Trustees and presented to members at the annual LEAF conference.

LINKING ENVIRONMENT AND FARMING

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Trustees' induction and training

Most newly appointed Trustees are already familiar with the practical work of the charity, additionally all Trustees, and subcommittee members are provided with a full briefing, terms of reference and supporting literature. The supporting literature has been prepared from information drawn from LEAF's publications, including details of the Memorandum and Articles of Association, membership rules and the latest financial statements.

LEAF has developed a guidance handbook for all Trustees, setting out their obligations as Trustees for the charity. This included their requirement to ensure the delivery of public good. This handbook is reviewed on an annual basis and updated when necessary.

Strategic development of the organisation is the responsibility of the Trustees with day to day management being the responsibility of the LEAF Chief Executive and is carried out by the small and dedicated LEAF team who operate principally from the LEAF office.

Pay policy for senior staff

The Trustees consider the Board of Trustees, who are also the Directors, and the Senior Leadership Team (as defined on page 2) comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. The Trustees give all of their time freely and no Trustee has received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 12 to these financial statements.

The pay of the senior staff is reviewed annually by a remuneration committee comprised of a sub-group of Trustees and is normally increased in accordance with average earnings. In October each year, the Trustees will determine whether the salary levels for all staff should be adjusted for the forthcoming financial year beginning 1st April, to reflect changes in the cost of living and or to reflect changes in responsibility or improvements in performance.

The Trustees' considerations will begin with an assumption that salaries should be adjusted to match inflation (specifically the Consumer Price Index) over the preceding 12 months. They will then determine whether this is appropriate in the context of:

- the charity's financial situation (can it afford the CPI linked increase?)
- the charity's performance (have KPIs been met?)
- cost of living adjustments made in recent years (have salaries kept pace with the CPI over the longer-term?)
- pay reviews elsewhere (how might a failure to follow wider trends be perceived amongst staff, within partner organisations or amongst potential supporters?)

Risk management

The Trustees recognise their responsibilities in terms of managing risk and have systems in place to ensure that the risks faced by the charity are identified, assessed, mitigated, and monitored. The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to control these risks. This is reviewed at least annually. A Risk and Audit Sub Committee comprised of a small group of Trustees was established to support this function.

We have carried out a full assessment of the risks associated with our activities and work and do not perceive there to be any detriment or harm arising from any of our activities.

The key controls used include:

- preparation and review of the Risk Register;
- formal agenda for Board meetings;
- comprehensive strategic planning, budgeting and management accounting;
- established organisational and governance structure and lines of reporting; and
- formal written policies.

LINKING ENVIRONMENT AND FARMING

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

The key risks that have been identified by the Trustees include:

- achieving insufficient income to meet the Trustees' target expenditure over the period of the strategic plan;
- being unable to respond quickly to a need to reduce expenditure;
- a loss of influence at a Government policy level;
- losing key staff and volunteers;
- the implications of Brexit; and
- restrictions resulting from the coronavirus pandemic.

Through the risk management process, the Trustees are satisfied that the risks have been identified and adequately mitigated. It is recognised that systems can only provide reasonable and not absolute assurance that major risks have been adequately managed.

Public benefit

When planning the charitable activities, reviewing our strategic aims and objectives and at Trustees meetings, LEAF's Trustees have paid attention to the Charity Commission's guidance with regards to our public benefit.

OBJECTIVES AND ACTIVITIES

LEAF's charity objectives

In 2012 LEAF revised its charitable objectives to reflect the global reach of the organisation. The charity's objects now read:

'The Charity's objects ("the objects") are in the United Kingdom and throughout the World to promote and improve agriculture, horticulture and other types of farming and raise standards of practice in farm management for the public benefit, in particular by the promotion and advancement of the education of farmers and the general public concerning methods of farm management which conserve and enhance the fabric and wildlife of the countryside'.

LEAF runs an exciting and bold programme, working with partners across the global food chain to deliver sustainable production systems in food and farming and to encourage a healthy and thriving society. Its aims are ambitious - to take the messages, skills and experience of LEAF, our members, partners and farmers that we develop throughout the UK, to Europe and the world.

Furthermore, in delivering such practices, a key part of our work is to create richer connection between farmers and the general public. The success of LEAF Open Farm Sunday and our on going demonstration, education and outreach activities throughout the year means that we host visits for thousands of members of the public out on farm, building trust and understanding of how our food is produced and our relationship with the environment. LEAF is an inclusive organisation benefiting from the close and active involvement of many volunteers who have a passion for farming and the environment. Through our LEAF Education activities, we inspire and connect future generations about farming and food production, through a range of activities including Farmer Time, Farming Fortnight, LEAF Open Farm Sunday, farm visits, Demonstration Schools and an extensive range of farming themed teaching resources across all key stages, delivered through the Countryside Classroom online portal.

A full breakdown of our main activities carried out throughout the year follows. We have committed a substantial amount of our resources in terms of funding and also voluntary time in ensuring that we successfully deliver on our charitable objectives as well as look ahead to what is next on the horizon.

LEAF is a membership based charity developing and promoting responsible, realistic farming systems through the advancement of Integrated Farm Management (IFM). LEAF was founded in 1991 and specialises in communicating best business and environmental farm practice to farmers, the agricultural and food industry and engaging with non farmers. Based in Stoneleigh, Warwickshire, LEAF works in the UK and internationally. Over the last 29 years we have encouraged farmers, Government and other agencies to research, adapt and adopt Integrated Farm Management (IFM). Today, IFM is widely recognised across the globe as a vehicle for the delivery of more sustainable farming systems.

LINKING ENVIRONMENT AND FARMING

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

The new Strategy (2021-2031) provides the backbone for LEAF to set performance targets, identify niches, collaborate with others and ensure the organisation runs effectively through an efficient management and committee structure as we endeavour to encourage the development of sustainable production.

Our vision

A global farming and food system that delivers **Climate Positive** action, builds resilience and supports the **health, diversity** and **enrichment** of our food, farms, the environment and society.

Our mission

To inspire and enable more circular approaches to farming and food systems through **integrated, regenerative**, and **vibrant nature-based solutions**, that deliver productivity and prosperity among farmers, enriches the environment and positively engages young people and wider society.

As a charity we strive to deliver the best possible value for our members and partners in everything we do. We focus our resource on a range of priorities that deliver our key objectives and we are heavily reliant on a dedicated staff and many volunteers. This current strategy sets out our strategic priorities, and reflects the changing global environment that we find ourselves in.

The LEAF strategic plan:

- sets out our aspirations for a more sustainable approach to food, farming and consumption;
- guides our work and focus our priorities;
- inspires our staff and volunteers;
- informs and engages others in our work and ambitions; and
- forms the basis for our business planning.

Our strategy priorities

LEAF works with farmers, the food industry, scientists, environmentalists, teachers, young people and consumers to deliver productivity and prosperity among our farmers, enrich the environment and engage young people and society in a valuable and meaningful way. We deliver against **8 commitments**, through **3 cross-cutting themes (Health, Diversity, Enrichment)** and **3 core work streams**, namely:

Facilitating knowledge generation & exchange amongst farmers and researchers through our network of LEAF Demonstration Farms and Innovation Centres; farm business management tools and events.

- **Developing market opportunities** through the LEAF Marque global environmental assurance system.
- **Educating and Engaging young people and wider society in sustainable food and farming** through our LEAF Education activities.

KEY ACHIEVEMENTS AND PERFORMANCE

Throughout the financial period 1st April 2021 to 31st March 2022, our activities have focused on our 3 core workstreams. Key highlights included:

Facilitating knowledge generation and exchange

- Expanded the LEAF Network with the launch of two new Innovation Centres – Newcastle University Farms and Agrii Throws Farm.
- Continued our fortnightly series of members' surgeries, technical podcasts and webinars throughout the year
- Added to our farmer video case studies, supported by Catchment Sensitive Farming on good practice across the farmed environment. Development of a new video outlining how Integrated Farm Management delivers more regenerative farming.
- Attendance at two agricultural events – Cereals and Groundswell at which a panel discussion was held around LEAF's 30-year journey and our new strategy.
- Commenced a new project 'Nature Based Farming Solutions' working with ten farmers across England, supported by The Linder Foundation. A case study booklet was issued in March 2022.

LINKING ENVIRONMENT AND FARMING

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

- Continued partnership on a number of Horizon 2020 funded EU projects exploring a variety of issues including intercropping, carbon sequestration, water management and on-farm demonstration. Announced our involvement in a new project – Agricapture CO2 looking at regenerative farming and carbon credits.
- Grew our technical communications with the introduction of two new resources – the IFM Quarterly and the Network Innovation News.
- Ongoing roll out of online BASIS accredited IFM training courses.

Developing market opportunities

- The LEAF Marque Standard public consultation opened in November 2021 and the next version of the Standard will be published later this year and will come into effect in January 2023.
- Set target that 85% of UK grown fruit and vegetables will be grown more sustainably within the next five years.
- Continued to work closely with Waitrose, M&S and a growing number of independent food brands. Commitment from Tesco and Lidl to roll out LEAF Marque across their fresh produce supply chains.
- Commenced a new partnership with Pepsico in which UK based Quaker oat suppliers will achieve LEAF Marque certification.
- Commissioned an independent evaluation exploring the wider benefits of LEAF Marque certification beyond certification. Report published in June 2021.
- Remote LEAF Audits continued which were established in 2020 in response to the pandemic.
- Enhanced the LEAF Marque Tracker service for the food industry to source LEAF Marque produce.
- Continued to work with our industry partnerships with including the Jordans Farm Partnership, Vitacress Farm Excellence the Resilient and Ready programme.
- Continued involvement in the design of E.L.M.S Test and Trials and LEAF Marque selected as one of the assurance schemes in the Defra Sustainable Farming Incentive pilot.
- Delivered a number of LEAF Marque online training events and Standard consultation webinars.

Educating and Engaging the public in sustainable food and farming

- Continued work with schools, teachers, trainee teachers, farmers, and parents to educate and connect young people with farming, how their food is produced and the natural environment.
- Whilst limitations to farm visits continued, Regional Education Consultants develop new ways to connect student of all ages with farming through Farmer Time, Farming Fortnight, weekly videos, virtual workshops and careers sessions as well as developing engaging learning resources.
- For the third year running, LEAF Education and Coleg Cambria ran the National Competition in Food, Farming and the Environment.
- Farming Fortnight – a two weeklong celebration of farming attracted over 208,000 views online.
- LEAF Education teamed up with Sainsbury's for COP26 to offer a series of teacher resources about global climate change.
- Expansion of LEAF Demonstration Schools with the launch of two more schools to promote food and farming education across the curriculum.
- LEAF Open Farm Sunday returned with on-farm events held in a Covid-safe way with over one hundred farmers participating.
- LEAF Online Farm Sunday took place in September as well as regularly virtual farm tours connecting farmers and consumers online.

Governance

LEAF's Board of Trustees is responsible for the overall Governance of the charity. 6 board meetings have been held, together with initially weekly and now every three-week meetings with the Chairmen and Vice-Chairman of LEAF and LEAF Marque and the CEO and COO throughout the COVID-19 pandemic.

LEAF's new ten-year strategy (2021-2031) was formally launched in November 2020. Building on LEAF's core capabilities and strengths it is an advancement of our work in developing and demonstrating more sustainable agriculture through Integrated Farm Management and is based around the principles of Circular Agriculture.

The LEAF Sub Committees continue to inform LEAF policy and strategic thinking to ensure we are delivering on our objectives and retain robustness and transparency.

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

FINANCIAL REVIEW

Whilst the Charity took a decision based on existing reserves and the potential negative effects of Brexit and the global pandemic on the food and farming sectors to increase its reserve level to permit further 'investment in growth' during the previous financial year, the Trustee's primary focus was to ensure LEAF's longer term sustainability post pandemic and noting the full effects of Brexit were still unfolding. As a result, the Charity has experienced an increase in its income this year and subsequently a net increase in funds of £238,282 (2021: increase of £323,762). This is in comparison to the planned budgeted net decrease in funds of £43,034. The charity looks to use the budget as its main key performance indicator and any improvement in income or reduction in expenditure is looked upon favorably.

LEAF Marque Limited made a profit of £Nil (2021 £Nil) during the year, after a gift aid donation to LEAF of £44,968 (2021: £38,970), giving rise to net assets of £5,083 (2021: £5,083).

Insurance

Insurance has been taken out by the charity under Section 232(2) of the Companies Act 2006, costing £1,760 (2021: £1,760) for its trustees and officers against liabilities in relation to the charity.

Reserves

The Trustees have set a reserves policy which requires reserves to be maintained at a level which ensures LEAF's core activity could continue during a period of unforeseen difficulty (of not less than 4 months) and reserves be maintained in a readily realisable form. The calculation of the required level of reserves is an integral part of the organisation's planning, budget, and forecast cycle. It considers risks associated with each stream of income and expenditure being different from that budgeted, planned activity levels and the organisations commitments. The reserves levels are closely monitored as part of the management reporting and Trustee's will adjust policy dynamically by resolution in line with the associated risks. The current reserves policy aims for minimum free reserves of £525,000 (2021: £600,000). Additionally, the Trustees have designated £100,000 of current free reserves to capacity and capability building to facilitate the expected growth in the medium to long term demand from retailers for its services. Actual free undesignated reserves at 31 March 2022 were £1,042,745 (2021: £952,425). Recognising the relative strength of reserves and the need to increase capacity and capability to meet future demands, the Trustees have approved a budget deficit of -£150,237 for the 2022-23 financial year.

Investment policy

Any surplus funds are placed on short term deposit.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies (Note 2.2).

PLANS FOR FUTURE ACTIVITIES

LEAF has an ambitious and demanding 10-year strategy to deliver and 2022 will focus on ensuring that the charity has the capability and capacity to deliver its expected growth over the coming years. LEAF recognises the ongoing challenges for UK farming as we transition away from the CAP and look at ways to meet global carbon reduction targets.

LEAF Marque businesses are making outstanding achievements in delivering more sustainable farming and these hugely significant world events and campaigns only serve to amplify the importance and relevance of LEAF's work in supporting farmers towards more climate positive, regenerative, and sustainable farming and food systems. Our members and growers are at the cutting edge of delivering the changes that are needed.

LINKING ENVIRONMENT AND FARMING

TRUSTEES' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Added to this, the retail sector are themselves setting their own environmental targets and increasingly looking to LEAF for support in delivering their ambitions. Food standards and safety, animal welfare and environmental protection are global issues, with consumers, food companies and governments all over the world looking for more sustainable methods of production. Through our strong links with the main multiples and the important advocacy role LEAF plays, we will continue to ensure that the voice of our members is heard; that the right balance is struck between the needs of farmers and what is achievable at a grass roots level, with those of our planet and our plates.

Our success in the field of education has also been remarkable and provides a solid foundation on which we will continually build.

Scaling up our reach, quantifying and measuring results will be a priority in the year ahead. This will require us to develop deeper and extended business partnerships and new business models. In so doing, we will need to invest heavily in building capacity and capability to meet the increasing demands of such partnerships.

Our 10 Year Strategy is paving a clear way forward and we are uniquely positioned as we navigate the next critical few years.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

AUDITORS

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. A resolution concerning the appointment of auditors for the ensuing year will be proposed at the September 2022 Board Meeting.

By order of the Board

Approved by order of the members of the board of Trustees and signed on their behalf by:



P G Wynn
Chair of Trustees
Date: 2/11/22

LINKING ENVIRONMENT AND FARMING

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING

OPINION

We have audited the financial statements of Linking Environment And Farming (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 Financial Reporting Standard 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 Group's and of the parent charitable company's affairs as at 31 March 2022 and of the Group's incoming resources and application of resources, including its income and expenditure 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 and the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

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

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

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

LINKING ENVIRONMENT AND FARMING

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING (CONTINUED)

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees 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 Trustees are responsible for assessing the Group's and the parent charitable 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 Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING (CONTINUED)

AUDITORS' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud and non compliance with laws and regulations, we considered the following:

- the nature of the industry and sector, control environment and business performance;
- results of our enquiries of management and the board about their own identification and assessment of the risks of irregularities;
- any matters we identified having obtained and reviewed the company's documentation of their policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud;
 - the internal controls established to mitigate risks of fraud or non-compliance with laws and regulations; and
- the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, which included incorrect recognition of revenue and management override of controls using manual journal entries, and these were identified as the greatest potential area for fraud.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the company's ability to operate or to avoid a material penalty. These included occupational health and safety regulations and employment legislation. Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- reviewing the financial statement disclosures and testing to supporting documentation to assess the recognition of revenue;
- enquiring of management and those charged with governance concerning actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- reading minutes of meetings of those charged with governance; and
- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

LINKING ENVIRONMENT AND FARMING

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING (CONTINUED)

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

USE OF OUR REPORT

This report is made solely to the charitable company's trustees, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's trustees those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Wood FCCA (Senior Statutory Auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard
Worcester
WR1 2LB

Date: 2 December 2022

LINKING ENVIRONMENT AND FARMING

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE YEAR ENDED 31 MARCH 2022

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	5	132,833	4,989	137,822	129,713
Charitable activities	6	1,382,229	338,330	1,720,559	1,435,742
Other trading activities	7	122,001	-	122,001	134,131
Investments	8	70	-	70	242
Other income	9	25,515	-	25,515	-
Total income		1,662,648	343,319	2,005,967	1,699,828
Expenditure on:					
Raising funds		102,548	-	102,548	101,127
Charitable activities	10	1,476,540	188,597	1,665,137	1,274,939
Total expenditure		1,579,088	188,597	1,767,685	1,376,066
Net income		83,560	154,722	238,282	323,762
Transfers between funds	22	(18,000)	18,000	-	-
Net movement in funds		65,560	172,722	238,282	323,762
Reconciliation of funds:					
Total funds brought forward		957,507	107,209	1,064,716	740,954
Net movement in funds		65,560	172,722	238,282	323,762
Total funds carried forward		1,023,067	279,931	1,302,998	1,064,716

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

The notes on pages 20 to 43 form part of these financial statements.

LINKING ENVIRONMENT AND FARMING
REGISTERED NUMBER:03035047

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	15	554	11,879
Tangible assets	16	70,189	54,647
Investments	17	322	321
		71,065	66,847
Current assets			
Debtors	18	573,605	467,502
Cash at bank and in hand		1,057,349	1,111,151
		1,630,954	1,578,653
Creditors: amounts falling due within one year	19	(399,021)	(580,784)
Net current assets		1,231,933	997,869
Total assets less current liabilities		1,302,998	1,064,716
Net assets excluding pension asset		1,302,998	1,064,716
Total net assets		1,302,998	1,064,716
Charity funds			
Restricted funds	22	279,931	107,209
Unrestricted funds	22	1,023,067	957,507
Total funds		1,302,998	1,064,716

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 MARCH 2022

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees on
and signed on their behalf by:



P G Wynn
(Chair of Trustees)

The notes on pages 20 to 43 form part of these financial statements.

CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2022

	Note	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Intangible assets	15		554		11,879
Tangible assets	16		70,189		54,647
Investments	17		322		322
			<u>71,065</u>		<u>66,848</u>
Current assets					
Debtors	18	648,501		499,092	
Cash at bank and in hand		959,834		1,070,481	
		<u>1,608,335</u>		<u>1,569,573</u>	
Creditors: amounts falling due within one year	19	(381,484)		(576,787)	
Net current assets			<u>1,226,851</u>		<u>992,786</u>
Total assets less current liabilities			<u>1,297,916</u>		<u>1,059,634</u>
Net assets excluding pension asset			<u>1,297,916</u>		<u>1,059,634</u>
Total net assets			<u><u>1,297,916</u></u>		<u><u>1,059,634</u></u>
Charity funds					
Restricted funds	22		255,171		107,209
Unrestricted funds	22		1,042,745		952,425
Total funds			<u><u>1,297,916</u></u>		<u><u>1,059,634</u></u>

CHARITY STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2022

The Charity's net movement in funds for the year was £238,282 (2021 - £323,762).

The Charity was entitled to exemption from audit under section 477 of the Companies Act 2006.

The members have not required the entity to obtain an audit for the year in question in accordance with section 476 of the Companies Act 2006.

However, an audit is required in accordance with section 151 of the Charities Act 2011.

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

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P G Wynn
(Chair of Trustees)

The notes on pages 20 to 43 form part of these financial statements.

LINKING ENVIRONMENT AND FARMING

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
Cash flows from operating activities		
Net cash used in operating activities	(60,930)	653,357
Cash flows from investing activities		
Investment income	64	242
Purchase of intangible assets	-	(16,931)
Purchase of tangible fixed assets	(37,630)	(34,957)
Net cash used in investing activities	(37,566)	(51,646)
Cash flows from financing activities		
Interest element of hire purchase contracts	(585)	(1,335)
Capital element of hire purchase contracts	(7,686)	(11,319)
Net cash used in financing activities	(8,271)	(12,654)
Change in cash and cash equivalents in the year	(106,767)	589,057
Cash and cash equivalents at the beginning of the year	1,111,151	522,094
Cash and cash equivalents at the end of the year	1,004,384	1,111,151

The notes on pages 20 to 43 form part of these financial statements

LINKING ENVIRONMENT AND FARMING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. GENERAL INFORMATION

Linking Environment and Farming is a charitable company limited by guarantee incorporated in England & Wales and domiciled in England.

The registered office is National Agricultural Centre, Stoneleigh Park, Kenilworth, Warwickshire, CV8 2LG. The charitable company's registered number is 03035047.

In the event of the charity being wound up, each member has undertaken to contribute towards its liabilities a sum of not exceeding ten pounds.

The charity is registered as a charity, no 1045781, with the Charity Commission and is exempted from Corporation Tax on its income in the year.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Linking Environment And Farming meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The presentation currency for the group and the charitable company during the year was Sterling, and are rounded to the nearest £1.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking, LEAF Marque Limited, for the year. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2. ACCOUNTING POLICIES (continued)

2.2 GOING CONCERN

The Trustees have reviewed all information available to them and do not consider there to be any significant doubts about the charitable company's ability to continue as a going concern. These financial statements have therefore been prepared on this basis.

The Trustees have prepared budgets and cash flow forecasts to for a period of at least 12 months following the date of approval of the financial statements. The Group has a net asset value as at 31st March 2022 of £1,302,998 (2021: £1,064,716) and cash at bank and in hand of £1,057,349 (2021: £1,111,151). On this basis the financial statements have been prepared on a going concern basis.

The Trustees' assumptions and outlook consider the impact and uncertainty that the COVID-19 pandemic may have on the group. Updated projections have been put in place that consider a worst-case scenario in order to make sure the charitable company continues during these unprecedented times. This is being monitored on a weekly basis. The Trustees have also taken advantage of the government assistance, mainly the Coronavirus Job Retention Scheme.

The financial statements do not reflect the adjustments that would be necessary should the ability of the Charitable Company to operate be jeopardised due to a material issue with the availability of its work force, the level of demand for its services or a material decrease in revenues or grant funding.

2.3 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2. ACCOUNTING POLICIES (continued)

2.4 INCOME

Voluntary income including donations and grants that provide core funding or are of a general nature are recognised when there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income is only deferred when the donor specifies that the grant or donation can only be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is accounted for when receivable.

Commission/membership income is accounted for, in full, when received.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.5 EXPENDITURE

Expenditure is recognised on an accruals basis when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied.

Support costs include central functions.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

2. ACCOUNTING POLICIES (continued)

2.6 INTANGIBLE ASSETS AND AMORTISATION

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets are amortised on a straight line basis over their estimated useful life. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The estimated useful lives are as follows:

Website development	- 3 years
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2.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged by equal annual instalments commencing with the date of acquisition at rates estimated to write off their cost less any residual value over their expected useful lives which are as follows:

Long-term leasehold property improvements	- Over the life of the lease
Motor vehicles	- 5 years
Furniture and equipment	- 3 - 10 years

2.8 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

2.9 INVESTMENTS

Fixed asset investments are a form of financial instrument and are recognised at mid-market value at the balance sheet date.

2.10 RETIREMENT BENEFITS

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2.11 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2. ACCOUNTING POLICIES (continued)

2.12 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

2.13 HIRE PURCHASE AGREEMENTS

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets at their fair value. Assets acquired by hire purchase are depreciated over their useful lives. The capital element of the future payments is treated as a liability and the interest is charged to the Consolidated Statement of Financial Activities on a straight line basis.

2.14 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

2.15 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.16 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.17 LIABILITIES

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt after allowing for any trade discounts due or the amount it has received as advanced payments for the goods or services it must provide.

2.18 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Financial assets and liabilities that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

Financial assets and liabilities that are measured at fair value are determined using active market rate.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

4. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

LINKING ENVIRONMENT AND FARMING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

5. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Donations	132,833	4,989	137,822	108,204
Government grants	-	-	-	21,509
TOTAL 2022	<u>132,833</u>	<u>4,989</u>	<u>137,822</u>	<u>129,713</u>
TOTAL 2021	<u>98,204</u>	<u>31,509</u>	<u>129,713</u>	

6. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Membership renewals	571,499	-	571,499	544,535
Sponsorship	486,082	117,550	603,632	393,601
Project funding, grants, research and talks	291,578	220,780	512,358	489,632
Other income and DBS	33,070	-	33,070	7,974
TOTAL 2022	<u>1,382,229</u>	<u>338,330</u>	<u>1,720,559</u>	<u>1,435,742</u>
TOTAL 2021	<u>1,186,705</u>	<u>249,037</u>	<u>1,435,742</u>	

LINKING ENVIRONMENT AND FARMING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

7. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Other income	1,297	1,297	2,123
Income from LEAF Marque Limited	120,704	120,704	132,008
	<u>122,001</u>	<u>122,001</u>	<u>134,131</u>
TOTAL 2021	<u>134,131</u>	<u>134,131</u>	

The wholly owned trading subsidiary LEAF Marque Limited is incorporated in England and Wales (company number 04454468) and pays all of its profits to the Charity under the Gift Aid scheme. During the year ended 31 March 2022 LEAF Marque Limited reported income of £122,001 (2021: £134,131) and expenditure of £147,516 (2021: £140,494). Gift Aid of £44,968 (2021: £39,467) was paid to the Charity in respect of LEAF Marque Limited's profit for the year.

8. INVESTMENT INCOME

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Dividends received	6	6	-
Interest receivable	64	64	242
TOTAL 2022	<u>70</u>	<u>70</u>	<u>242</u>
TOTAL 2021	<u>242</u>	<u>242</u>	

9. OTHER INCOMING RESOURCES

	Unrestricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Other operating income	25,515	25,515	-

LINKING ENVIRONMENT AND FARMING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

10. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total 2022 £	Total 2021 £
Integrated Farm Management	1,314,032	162,507	1,476,539	1,056,749
Education	162,508	26,090	188,598	218,190
TOTAL 2022	<u>1,476,540</u>	<u>188,597</u>	<u>1,665,137</u>	<u>1,274,939</u>
TOTAL 2021	<u>1,054,758</u>	<u>220,181</u>	<u>1,274,939</u>	

11. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £	Total funds 2021 £
Integrated Farm Management	1,286,525	190,014	1,476,539	1,056,749
Education	187,573	1,025	188,598	218,190
TOTAL 2022	<u>1,474,098</u>	<u>191,039</u>	<u>1,665,137</u>	<u>1,274,939</u>
TOTAL 2021	<u>1,167,950</u>	<u>106,989</u>	<u>1,274,939</u>	

LINKING ENVIRONMENT AND FARMING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

11. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Integrated farm management 2022 £	Education 2022 £	Total funds 2022 £	Total funds 2021 £
Staff costs	868,020	7,356	875,376	698,395
Staff welfare and recruitment	24,338	-	24,338	21,102
Premises	27,518	1,660	29,178	27,707
Travel and subsistence	29,801	-	29,801	3,372
Hospitality and meeting costs	6,332	872	7,204	117
Training	2,418	-	2,418	4,604
Printing, postage, stationery and telephone	42,646	3,648	46,294	23,074
PR & marketing	70,714	-	70,714	58,334
Professional and consultancy fees	119,151	69,406	188,557	133,647
Website costs	71,252	16,650	87,902	79,927
Subscriptions	6,564	-	6,564	3,277
Repairs and maintenance	8,678	960	9,638	8,361
Field team	9,093	87,021	96,114	106,033
TOTAL 2022	1,286,525	187,573	1,474,098	1,167,950
TOTAL 2021	959,462	208,488	1,167,950	

LINKING ENVIRONMENT AND FARMING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

11. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Integrated farm management 2022 £	Education 2022 £	Total funds 2022 £	Total funds 2021 £
Depreciation and amortisation	32,303	-	32,303	38,638
Premises	12,552	-	12,552	6,175
Travel and subsistence	10,976	-	10,976	190
Hospitality and meeting costs	8,303	-	8,303	-
Audit and accountancy	27,422	600	28,022	32,627
Professional and consultancy fees	81,733	-	81,733	22,467
Subscriptions	2,812	-	2,812	1,404
Repairs and maintenance	4,130	-	4,130	1,169
General expenses	4,154	-	4,154	323
Bank charges	4,382	425	4,807	2,539
Hire purchase interest	585	-	585	1,335
Governance costs	662	-	662	122
TOTAL 2022	190,014	1,025	191,039	106,989
TOTAL 2021	97,287	9,702	106,989	

Relevant costs are split between direct and support in a ratio of 70:30 respectively.

12. AUDITORS' REMUNERATION

The auditors' remuneration amounts to an auditor fee of £14,050 (2021: £11,150), and accounts preparation and tax compliance services of £1,550 (2021: £3,650).

13. STAFF COSTS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Wages and salaries	684,806	535,034	684,806	535,034
Social security costs	72,319	62,427	72,319	62,427
Contribution to defined contribution pension schemes	118,251	100,934	118,251	100,934
	875,376	698,395	875,376	698,395

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

13. STAFF COSTS (CONTINUED)

The average number of persons employed by the Charity during the year was as follows:

	Group 2022 No.	Group 2021 No.
Employees	26	20
	<u>26</u>	<u>20</u>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2022 No.	Group 2021 No.
In the band £70,001 - £80,000	1	1
	<u>1</u>	<u>1</u>

The key management personnel of the group comprises the Trustees and the Senior Management Team. The total employee benefits of the key management personnel were £323,500 (2021: £317,281).

14. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year ended 31 March 2022, no expenses were reimbursed or paid directly to any Trustees. (2021: £NIL).

LINKING ENVIRONMENT AND FARMING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

15. INTANGIBLE ASSETS

GROUP AND CHARITY

	Website development £
COST	
At 1 April 2021	88,393
At 31 March 2022	<u>88,393</u>
AMORTISATION	
At 1 April 2021	76,514
Charge for the year	11,325
At 31 March 2022	<u>87,839</u>
NET BOOK VALUE	
At 31 March 2022	<u><u>554</u></u>
At 31 March 2021	<u><u>11,879</u></u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

16. TANGIBLE FIXED ASSETS

GROUP AND CHARITY

	Long-term leasehold property improvements £	Motor vehicles £	Furniture and equipment £	Total £
COST OR VALUATION				
At 1 April 2021	44,190	46,174	136,774	227,138
Additions	5,865	-	31,765	37,630
At 31 March 2022	50,055	46,174	168,539	264,768
DEPRECIATION				
At 1 April 2021	15,893	37,678	118,920	172,491
Charge for the year	2,720	5,298	14,070	22,088
At 31 March 2022	18,613	42,976	132,990	194,579
NET BOOK VALUE				
At 31 March 2022	31,442	3,198	35,549	70,189
At 31 March 2021	28,297	8,496	17,854	54,647

Assets held under finance leases and hire purchase agreements

Included within the net book value of £70,189 (2021: £54,647) is an amount of £3,198 (2021: £8,496) relating to assets held under finance leases and hire purchase agreements.

LINKING ENVIRONMENT AND FARMING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

17. FIXED ASSET INVESTMENTS

	Investments £
CHARITY	
COST OR VALUATION	
At 1 April 2021	467
Revaluations	(145)
	<u>322</u>
AT 31 MARCH 2022	<u>322</u>
NET BOOK VALUE	
AT 31 MARCH 2022	<u>322</u>
AT 31 MARCH 2021	<u>467</u>

Investments held by the Charity include a £1 (2021: £1) investment in the subsidiary company, LEAF Marque Limited. This represents the Trustees' estimate of the market value of this investment. The investment represents the entire share capital of LEAF Marque Limited, a company incorporated in England and Wales. The company was incorporated on 5 June 2002. The principal activity of LEAF Marque Limited is to promote Integrated Farm Management through the use of the LEAF Marque trademark. The activities and results of this company are summarised in Note 7.

18. DEBTORS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
DUE WITHIN ONE YEAR				
Trade debtors	369,859	311,271	357,065	279,194
Amounts owed by group undertakings	-	-	122,803	71,991
Other debtors	28,219	19,039	20,329	19,039
Prepayments and accrued income	175,527	137,092	148,304	128,868
Tax recoverable	-	100	-	-
	<u>573,605</u>	<u>467,502</u>	<u>648,501</u>	<u>499,092</u>

LINKING ENVIRONMENT AND FARMING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Trade creditors	88,547	34,308	82,352	34,308
Other taxation and social security	105,593	101,036	97,251	100,039
Obligations under finance lease and hire purchase contracts	2,711	10,398	2,711	10,398
Other creditors	13,153	536	13,153	536
Accruals and deferred income	189,017	434,506	186,017	431,506
	399,021	580,784	381,484	576,787
	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Deferred income at 1 April 2021	390,818	191,959	390,818	191,959
Resources deferred during the year	46,883	507,058	46,883	507,058
Amounts released from previous periods	(246,125)	(308,199)	(246,125)	(308,199)
	191,576	390,818	191,576	390,818

Deferred income comprises grant and other income received in respect of various projects and in relation to Open Farm Sunday that take place in future periods.

Secured debts:

Obligations under finance lease and hire purchase contracts of £2,711 (2021: £10,398) are secured against the assets financed.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

20. FINANCIAL INSTRUMENTS

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
FINANCIAL ASSETS				
Financial assets measured at fair value through income and expenditure	1,057,349	1,111,151	959,834	1,070,481

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand

21. CORPORATION TAX

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

22. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Designated Funds - all funds	66,381	-	-	-	66,381
GENERAL FUNDS					
General Funds - all funds	891,126	1,662,648	(1,579,088)	(18,000)	956,686
TOTAL UNRESTRICTED FUNDS	957,507	1,662,648	(1,579,088)	(18,000)	1,023,067
RESTRICTED FUNDS					
EU Horizon 2020	-	181,185	(130,135)	-	51,050
Chef on the Farm	3,377	8,890	(4,197)	-	8,070
ATF/Cevas	12,012	27,195	(14,165)	-	25,042
FarmerTime	50,840	64,289	(13,985)	18,000	119,144
Countryside classroom	34,517	61,760	(26,115)	-	70,162
ISEAL	6,463	-	-	-	6,463
	107,209	343,319	(188,597)	18,000	279,931
TOTAL OF FUNDS	1,064,716	2,005,967	(1,767,685)	-	1,302,998

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

22. STATEMENT OF FUNDS (CONTINUED)

Unrestricted funds are those which can be used in accordance with the charitable objectives at the discretion of the Trustees, as defined in the accounting policies.

The Trustees have designated funds which represent the unrestricted fixed assets of the Charity. The transfer relates to the movement on these unrestricted fixed assets.

Restricted funds are those held for specific purposes, as specified by the funder, as defined in the accounting policies.

FUND DESCRIPTIONS:

EU Horizon - This restricted fund relates to the grant funds projects under this scheme, which commenced in the 2016/17 and 2017/18 financial years.

Chef on the Farm - This restricted fund relates to the project under this scheme, which commenced post FACE merger.

ATF/Cevas - This restricted fund relates to the project under this scheme, which commenced post merger.

FarmerTime - This restricted fund relates to the project under this scheme, which commenced during 2019.

ISEAL - This restricted fund relates to the project under this scheme, which is carried out by LEAF Marque, and commenced during the 2020/21 financial year.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

22. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Designated Funds	59,938	-	-	6,443	66,381
GENERAL FUNDS					
General Funds	616,172	1,419,282	(1,155,885)	11,557	891,126
TOTAL UNRESTRICTED FUNDS	676,110	1,419,282	(1,155,885)	18,000	957,507
RESTRICTED FUNDS					
EU Horizon 2020	-	135,761	(135,761)	-	-
Chef on the Farm	3,377	-	-	-	3,377
ATF/Cevas	16,036	8,920	(12,944)	-	12,012
FarmerTime	45,431	39,143	(15,734)	(18,000)	50,840
Countryside classroom	-	68,750	(34,233)	-	34,517
ISEAL	-	6,463	-	-	6,463
Other government grants	-	21,509	(21,509)	-	-
	64,844	280,546	(220,181)	(18,000)	107,209
TOTAL OF FUNDS	740,954	1,699,828	(1,376,066)	-	1,064,716

FUND DESCRIPTIONS:

EU Horizon - This restricted fund relates to the grant funds projects under this scheme, which commenced in the 2016/17 and 2017/18 financial years.

Chef on the Farm - This restricted fund relates to the project under this scheme, which commenced post FACE merger.

ATF/Cevas - This restricted fund relates to the project under this scheme, which commenced post merger.

FarmerTime - This restricted fund relates to the project under this scheme, which commenced during 2019.

LINKING ENVIRONMENT AND FARMING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

23. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2021 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2022 £
Designated funds	66,381	-	-	-	66,381
General funds	891,126	1,662,648	(1,579,088)	(18,000)	956,686
Restricted funds	107,209	343,319	(188,597)	18,000	279,931
	<u>1,064,716</u>	<u>2,005,967</u>	<u>(1,767,685)</u>	<u>-</u>	<u>1,302,998</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds	59,938	-	-	6,443	66,381
General funds	616,172	1,419,282	(1,155,885)	11,557	891,126
Restricted funds	64,844	280,546	(220,181)	(18,000)	107,209
	<u>740,954</u>	<u>1,699,828</u>	<u>(1,376,066)</u>	<u>-</u>	<u>1,064,716</u>

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	70,189	-	70,189
Intangible fixed assets	554	-	554
Fixed asset investments	322	-	322
Current assets	1,351,023	279,931	1,630,954
Creditors due within one year	(399,021)	-	(399,021)
TOTAL	<u>1,023,067</u>	<u>279,931</u>	<u>1,302,998</u>

LINKING ENVIRONMENT AND FARMING

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

24. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	54,647	-	54,647
Intangible fixed assets	11,879	-	11,879
Fixed asset investments	321	-	321
Current assets	1,471,444	107,209	1,578,653
Creditors due within one year	(580,784)	-	(580,784)
TOTAL	957,507	107,209	1,064,716

25. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2022 £	Group 2021 £
Net income for the year (as per Statement of Financial Activities)	238,282	323,762
ADJUSTMENTS FOR:		
Depreciation charges	22,088	20,095
Amortisation charges	11,325	25,205
Investment income	(64)	(242)
Interest paid	585	1,335
Decrease/(increase) in debtors	(122,760)	5,415
Increase/(decrease) in creditors	(135,744)	277,887
Corporation tax (received)/paid	-	(100)
NET CASH PROVIDED BY OPERATING ACTIVITIES	13,712	653,357

26. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2022 £	Group 2021 £
Cash in hand	1,004,384	1,111,151

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022

27. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2021 £	Cash flows £	At 31 March 2022 £
Cash at bank and in hand	1,111,151	(53,802)	1,057,349
Finance leases	(10,398)	7,687	(2,711)
	<u>1,100,753</u>	<u>(46,115)</u>	<u>1,054,638</u>

28. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £118,251 (2021: £100,934). As at the year end, the Charity had outstanding pension contributions of £11,561 (2021: £255).

29. OPERATING LEASE COMMITMENTS

At 31 March 2022 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £	Charity 2022 £	Charity 2021 £
Not later than 1 year	18,126	18,126	18,126	18,126
Later than 1 year and not later than 5 years	47,437	69,876	47,437	69,876
	<u>65,563</u>	<u>88,002</u>	<u>65,563</u>	<u>88,002</u>

30. FINANCE LEASE COMMITMENTS

Minimum lease payments under hire purchase and finance lease agreements fall due as follows:

	2022 £	2021 £
Within 1 year	2,711	8,856
Between 2 - 5 years	-	3,398
	<u>2,711</u>	<u>12,254</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

31. RELATED PARTY TRANSACTIONS

During the year the Charity traded with the John Innes Foundation, a charity in which K R Norman is a trustee. The Charity received income during the year of £7,250 (2021: £11,325) in respect of project work undertaken during the financial year. At the year end a balance of £Nil (2021: £Nil) was due from John Innes Foundation.

During the year the Charity traded with Waldersley Farms Limited, a company in which C R Porter is a director. The Charity received membership income during the year of £530 (2021: £530). At the year end a balance of £Nil (2021: £Nil) was due from Waldersley Farms Limited.

During the year the Charity traded with Beeswax Dyson Farming Limited, a company in which P G Wynn is a director. During the year the Charity received donations and membership income of £Nil (2021: £12,530). During the year the Charity also incurred and paid for services of £75 (2021: £480). At the year end a balance of £Nil (2020: £Nil) was due from Beeswax Dyson Farming Limited.

During the year the Charity traded with Haygrove Development Limited, a company in which A J Davison is a director. During the year the Charity received income of £Nil (2021: £10). At the year end a balance of £Nil (2021: £Nil) was due from Haygrove Development Limited.

During the year the Charity recharged expenses to its wholly owned subsidiary LEAF Marque Limited totalling £41,658 (2021: £55,174). LEAF Marque Limited also Gift Aided the Charity £44,968 as at the year end (2021: £39,467). As at the year end a balance of £122,803 (2021: £71,991) was due from LEAF Marque Limited.

LINKING ENVIRONMENT AND FARMING

England & Wales - Charity number 1045781

Accounts

LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

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**CHAIRMAN'S STATEMENT
FOR THE YEAR ENDED 31 MARCH 2021**

The chairman presents his statement for the year.

The past financial year 2020/2021 has been one of continued consolidation, growth and investment. Whilst the year has been dominated by the profound impact of the Coronavirus pandemic, we were determined not to let it overshadow the outstanding successes of the past year. The team have risen to the challenges of remote working, embraced new technologies, shown flexibility and been quick to respond to a changed world. Technology enabled us to roll out a whole range of virtual experiences from launching demonstration farms, running LEAF Online Farm Sunday to our first virtual Annual Conference on Dealing with the Climate Emergency. Furthermore, we have run fortnightly surgeries on topical issues with some top-level speakers. It is significant that the support and reach of these events has been unprecedented.

Added to this, all LEAF's activities have to be viewed against the changing political landscape which the farming sector is facing outside the EU. New trading relationships and changes in support payments with the introduction of the new Environmental Land Management scheme in England and the Climate Change plan in Scotland, with their focus on 'public money for public goods' will present both challenges and significant opportunities for LEAF and our members. We are determined to capitalize on this.

This year saw the launch of our new 10-year strategy (2021-2031) representing a significant and transformative moment for the organisation. With an updated vision and mission, well defined ambitions, set across eight cross cutting commitments, it builds on our core objectives and capabilities.

We have expanded our capability to engage more with farmers, the industry and government through our technical and visionary approaches. Our work in the field of education and public engagement has also been remarkable and provides a solid foundation on which we are continually building. In response to the Coronavirus pandemic, our team of Regional Education Consultants delivered imaginative and virtual learning programmes with schools across the UK, and we quickly adapted many of our Countryside Classroom resources for home schooling. As it was not possible to host live farm events, we ran two online events in June and September, involving live virtual farm tours and a programme of online talks. We were also delighted to host our first international live virtual farm tours in Ghana and Spain.

Similarly, Farmer Time played a hugely significant role in enabling young people to speak to farmers directly and experience farming in a safe way. Also, in response to the pressures of lockdown, our LEAF Education team prioritised health and wellbeing and adapted existing programmes and resources to incorporate creative, mindful and sensory activities to help children relax and connect with farming and nature. We will be building on this in the year ahead.

2021 marks the 30th anniversary of LEAF, a special moment for the charity. The next chapter is both exciting and inspiring. We are determined to find new ways of delivering productivity and prosperity for our farmers and members through the development and promotion of Climate Positive, integrated and regenerative farming as well as engaging with young people and society in a purposeful and meaningful manner.

As the industry continues to respond to the pandemic, navigate a post-Brexit world, fight for fair and equitable trade arrangements, LEAF will continue to maintain and build leadership in solution driven approaches.

Our work and our voice will be more important than ever.

Philip Wynn
Chairman
Date: 20/9/21



**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT
FOR THE YEAR ENDED 31 MARCH 2021**

The trustees present their report and the financial statements for the year ended 31 March 2021. The charity is known as LEAF (Linking Environment And Farming).

REFERENCE AND ADMINISTRATIVE DETAIL

LEAF is a registered charity and a registered company limited by guarantee.

Charity number 1045781
Company number 03035047

The principal office is at National Agricultural Centre, Stoneleigh Park, Warwickshire, CV8 2LG.

"The Registered Office" means the office of the Charity at:
National Agricultural Centre
Stoneleigh Park
Warwickshire
CV8 2LG

Legal status

The charity is limited by guarantee. In the event of the charity being wound up, each member may be required to contribute a maximum of ten pounds.

Trustees

The trustees of the charity, who are also its directors, are as follows:

C W Porter
S C Eppel
I A Ashbridge
I Pigott
P G Wynn
T M C Green
A J Davison
K R Norman
M F Young
E K Penny
Professor R J Rickson

Senior Leadership Team

Chief Executive	Caroline Drummond
Chief Operating Officer	Stephen Jones
Director of Business Development	Clare Mike
Director of Education and Public Engagement	Carl Edwards
Technical Manager	Lucy Bates
Marketing & Communications Manager	Sam Conway
Assurance Manager	Jennifer Clark

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Bankers

National Westminster Bank Plc
PO Box 137
59 The Parade
Leamington Spa
Warwickshire
CV32 4BA

Solicitors

Lodders Solicitors LLP
Number Ten
Elm Court
Arden Street
Stratford Upon Avon
Warwickshire
CV37 6PA

Independent Auditor

Bishop Fleming LLP
1 – 3 College Yard
Worcester
WR1 2LB

STRUCTURE, GOVERNANCE AND MANAGEMENT

LEAF (Linking Environment And Farming) is a non profit making, membership based charity. It was founded in 1991 and became a registered charity in 1995. LEAF develops and promotes Integrated Farm Management (IFM). IFM is a whole farm approach combining traditional farming with modern technology. LEAF works to develop and communicate best practice messages to farmers, the agricultural and food industry and non farmers.

LEAF supports its members to adopt and promote more sustainable farming practices through the adoption of IFM. Specifically, through the provision of management tools, technical information, training and talks. LEAF Marque is an independent assurance scheme, developed by LEAF. LEAF Marque Limited is a wholly owned subsidiary company of LEAF the Charity, incorporated in 2002.

LEAF benefits from a significant voluntary contribution from a network of LEAF Demonstration Farmers, Innovation Centres and supporters, the many farmers and helpers involved in LEAF Open Farm Sunday and from representation on the main management committees of LEAF: the LEAF Board, Policy and Strategic Development Committee and Advisory Board as well as additional committees supporting LEAF Marque.

The governing documents are the Memorandum and Articles of Association and membership rules.

The Trustees are the Board of Directors of the Charity. They are principally responsible for the governance of the Charity. The Trustees are selected by the principal management committees and the Chairman is usually a farmer who serves three to five years in that position. The Chairman is elected by the Board of Trustees and presented to members at the annual LEAF conference.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Trustees' induction and training

Most newly appointed Trustees are already familiar with the practical work of the charity, additionally all Trustees, and sub committee members are provided with a full briefing, terms of reference and supporting literature. The supporting literature has been prepared from information drawn from LEAF's publications, including details of the Memorandum and Articles of Association, membership rules and the latest financial statements.

LEAF has developed a guidance handbook for all Trustees, setting out their obligations as Trustees for the charity. This included their requirement to ensure the delivery of public good. This handbook is reviewed on an annual basis and updated when necessary.

Strategic development of the organisation is the responsibility of the Trustees with day to day management being the responsibility of the LEAF Chief Executive and is carried out by the small and dedicated LEAF team who operate principally from the LEAF office.

Pay policy for senior staff

The Trustees consider the board of trustees, who are also the Directors, and the Senior Leadership Team (as defined on page 2) comprise the key management personnel of the charity in charge of directing and controlling, running and operating the charity on a day to day basis. The Trustees give all of their time freely and no Trustee has received remuneration in the year. Details of Trustees' expenses and related party transactions are disclosed in note 12 to these financial statements.

The pay of the senior staff is reviewed annually by a remuneration committee comprised of a sub-group of Trustees and is normally increased in accordance with average earnings. In October each year, the Trustees will determine whether the salary levels for all staff should be adjusted for the forthcoming financial year beginning 1st April, to reflect changes in the cost of living and or to reflect changes in responsibility or improvements in performance.

The Trustees' considerations will begin with an assumption that salaries should be adjusted to match inflation (specifically the Consumer Price Index) over the preceding 12 months. They will then determine whether this is appropriate in the context of:

- the charity's financial situation (can it afford the CPI linked increase?)
- the charity's performance (have KPIs been met?)
- cost of living adjustments made in recent years (have salaries kept pace with the CPI over the longer-term?)
- pay reviews elsewhere (how might a failure to follow wider trends be perceived amongst staff, within partner organisations or amongst potential supporters?)

Risk management

The Trustees recognise their responsibilities in terms of managing risk and have systems in place to ensure that the risks faced by the charity are identified, assessed, mitigated, and monitored. The Trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to control these risks. This is reviewed at least annually. A Risk and Audit Sub Committee comprised of a small group of Trustees was established to support this function.

We have carried out a full assessment of the risks associated with our activities and work and do not perceive there to be any detriment or harm arising from any of our activities.

The key controls used include:

- preparation and review of the Risk Register;
- formal agenda for Board meetings;
- comprehensive strategic planning, budgeting and management accounting;
- established organisational and governance structure and lines of reporting; and
- formal written policies.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

The key risks that have been identified by the Trustees include:

- achieving insufficient income to meet the Trustees' target expenditure over the period of the strategic plan;
- being unable to respond quickly to a need to reduce expenditure;
- a loss of influence at a Government policy level;
- losing key staff and volunteers;
- the implications of Brexit; and
- restrictions resulting from the coronavirus pandemic.

Through the risk management process, the Trustees are satisfied that the risks have been identified and adequately mitigated. It is recognised that systems can only provide reasonable and not absolute assurance that major risks have been adequately managed.

Public benefit

When planning the charitable activities, reviewing our strategic aims and objectives and at Trustees meetings, LEAF's Trustees have paid attention to the Charity Commission's guidance with regards to our public benefit.

OBJECTIVES AND ACTIVITIES

LEAF's charity objectives

In 2012 LEAF revised its charitable objectives to reflect the global reach of the organisation. The charity's objects now read:

'The Charity's objects ("the objects") are in the United Kingdom and throughout the World to promote and improve agriculture, horticulture and other types of farming and raise standards of practice in farm management for the public benefit, in particular by the promotion and advancement of the education of farmers and the general public concerning methods of farm management which conserve and enhance the fabric and wildlife of the countryside'.

LEAF runs an exciting and bold programme, working with partners across the global food chain to deliver sustainable production systems in food and farming and to encourage a healthy and thriving society. Its aims are ambitious - to take the messages, skills and experience of LEAF, our members, partners and farmers that we develop throughout the UK, to Europe and the world.

Furthermore, in delivering such practices, a key part of our work is to create richer connection between farmers and the general public. The success of LEAF Open Farm Sunday and our on going demonstration, education and outreach activities throughout the year means that we host visits for thousands of members of the public out on farm, building trust and understanding of how our food is produced and our relationship with the environment. LEAF is an inclusive organisation benefiting from the close and active involvement of many volunteers who have a passion for farming and the environment. Through our LEAF Education activities, we inspire and connect future generations about farming and food production, through a range of activities including Farmer Time, Farming Fortnight, LEAF Open Farm Sunday, farm visits, Demonstration Schools and an extensive range of farming themed teaching resources across all key stages, delivered through the Countryside Classroom online portal.

A full breakdown of our main activities carried out throughout the year follows. We have committed a substantial amount of our resources in terms of funding and also voluntary time in ensuring that we successfully deliver on our charitable objectives as well as look ahead to what is next on the horizon.

LEAF is a membership based charity developing and promoting responsible, realistic farming systems through the advancement of Integrated Farm Management (IFM). LEAF was founded in 1991 and specialises in communicating best business and environmental farm practice to farmers, the agricultural and food industry and engaging with non farmers. Based in Stoneleigh, Warwickshire, LEAF works in the UK and internationally. Over the last 29 years we have encouraged farmers, Government and other agencies to research, adapt and adopt Integrated Farm Management (IFM). Today, IFM is widely recognised across the globe as a vehicle for the delivery of more sustainable farming systems.

TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

The new Strategy (2021-2031) provides the backbone for LEAF to set performance targets, identify niches, collaborate with others and ensure the organisation runs effectively through an efficient management and committee structure as we endeavour to encourage the development of sustainable production.

Our vision

A global farming and food system that delivers **Climate Positive** action, builds resilience and supports the **health, diversity** and **enrichment** of our food, farms, the environment and society.

Our mission

To inspire and enable more circular approaches to farming and food systems through **integrated, regenerative, and vibrant nature-based solutions**, that deliver productivity and prosperity among farmers, enriches the environment and positively engages young people and wider society.

As a charity we strive to deliver the best possible value for our members and partners in everything we do. We focus our resource on a range of priorities that deliver our key objectives and we are heavily reliant on a dedicated staff and many volunteers. This current strategy sets out our strategic priorities, and reflects the changing global environment that we find ourselves in.

The LEAF strategic plan:

- sets out our aspirations for a more sustainable approach to food, farming and consumption;
- guides our work and focus our priorities;
- inspires our staff and volunteers;
- informs and engages others in our work and ambitions; and
- forms the basis for our business planning.

Our strategy priorities

LEAF works with farmers, the food industry, scientists, environmentalists, teachers, young people and consumers to deliver productivity and prosperity among our farmers, enrich the environment and engage young people and society in a valuable and meaningful way. We deliver against **8 commitments**, through **3 cross-cutting themes (Health, Diversity, Enrichment)** and **3 core work streams**, namely:

Facilitating knowledge generation & exchange amongst farmers and researchers through our network of LEAF Demonstration Farms and Innovation Centres; farm business management tools and events.

- **Developing market opportunities** through the LEAF Marque global environmental assurance system.
- **Educating and Engaging young people and wider society in sustainable food and farming** through our LEAF Education activities.

KEY ACHIEVEMENTS AND PERFORMANCE

Throughout the financial period 1st April 2020 to 31st March 2021, our activities have focused on our 3 core workstreams. Key highlights included:

Facilitating knowledge generation and exchange

- Launched on-line two new LEAF Demonstration Farms showcasing exemplar sustainable farming practices – Nonington Farms in Kent and The Jersey Royal Company, Jersey.
- Adapted our hugely popular 2-day IFM training course to an online format.
- Ran a fortnightly series of members' surgeries, and technical podcast and webinars and representatives from the LEAF Network attended numerous virtual industry meetings throughout the year.
- Continued to work with partners across Europe in a number of Horizon 2020 funded projects exploring a variety of issues including intercropping, carbon sequestration, water management and on-farm demonstration.
- Expanded our Simply Sustainable series of technical guidance booklets with the launch of 'Simply Sustainable Integrated Pest Management'.

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

- Held virtual Field Days with a number of our industry partners including Agricollogy, Innovative Farmers and WRAP looking at intercropping, Integrated Pest Management and waste management.

Developing market opportunities

- Introduced Claims and Labelling as the new mechanism to regulate certification claims to ensure robustness of the LEAF Marque System.
- Strengthened many of our industry partnerships with Waitrose, the Jordans Farm Partnership, Tesco, Vitacress and Corteva as part of the Ready and Resilient programme.
- Continued involvement in the design of E.L.M.S Test and Trials.
- Ongoing work on the Island of Jersey with all its dairy and arable farmers, who are all LEAF Marque certified.
- Launched our Global Impacts Report showing continued growth and progress. LEAF Marque businesses operate in 21 countries worldwide and, in 2020, 45% of UK fruit and vegetables were produced on LEAF Marque farms. 42% of LEAF Marque farms routinely measure soil organic matter, 39% use a carbon footprint tool and 67% use energy derived from one or more renewable sources.
- We responded quickly to the Coronavirus pandemic to ensure the health and safety of our LEAF Marque growers and auditors by offering remote audits. At the time of writing, these continue.
- Delivered a number of LEAF Marque online training events.

Educating and Engaging the public in sustainable food and farming

- Continued work with schools, teachers, trainee teachers, farmers and parents to educate and connect young people with farming, how their food is produced and the natural environment.
- LEAF Open Farm Sunday could not go ahead in June 2020, but we responded quickly and held 2 hugely successful virtual events in June and September, involving virtual farm tours and a programme of talks around biodiversity, sustainability and food provenance.
- Regional Education Consultants, whilst not being able to organise farm visits or go into schools, continued to deliver imaginative virtual learning programmes with schools across the UK and support farmers in their education outreach.
- Developed new resources and updated existing resources designed specifically for home learning – all available from the Countryside Classroom website, which saw a 77% increase in users.
- Farmer Time played an even more important role in enabling young people to see the realities of farm life in a safe way. We saw a doubling in the number of children we reached through Farmer Time.
- Farming Fortnight – a two-week celebration of farming offered schools a wealth of free farming themed resources across all key stages.
- Launched 3 new LEAF Education Demonstration Schools showcasing best practise in food and farming education.

Governance

LEAF's Board of Trustees is responsible for the overall Governance of the charity. 6 board meetings have been held, together with initially weekly and now every three-week meetings with the Chairmen and Vice-Chairman of LEAF and LEAF Marque and the CEO and COO throughout the COVID-19 pandemic.

LEAF's new ten-year strategy (2021-2031) was formally launched in November 2020. Building on LEAF's core capabilities and strengths it is an advancement of our work in developing and demonstrating more sustainable agriculture through Integrated Farm Management and is based around the principles of Circular Agriculture.

The LEAF Sub Committees continue to inform LEAF policy and strategic thinking to ensure we are delivering on our objectives and retain robustness and transparency.

FINANCIAL REVIEW

Whilst the Charity took a decision based on existing reserves and the potential negative effects of Brexit on the food and farming sectors to increase its reserve level to permit further 'investment in growth' during the previous financial year, it had not foreseen the effects of the global pandemic. As the pandemic unfolded the Trustees took the decision to more frequently review business activity, its impacts, turnover, cash flows and reserve levels

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

– the Trustee's primary focus was to ensure LEAF's longer term sustainability post pandemic and noting the effect of Brexit were still unknown. As a result, the charity has experienced an increase in its income this year and subsequently a net increase in funds of £323,762 (2020: increase of £27,197). This is in comparison to the planned budgeted net increase in funds of £136,234. The charity looks to use the budget as its main key performance indicator and any improvement in income or reduction in expenditure is looked upon favourably.

LEAF Marque Limited made a profit of £Nil (2019: £Nil) during the year, after a gift aid donation to LEAF of £38,970 (2020: £23,158), giving rise to net assets of £5,083 (2020: £5,083).

Insurance

Insurance has been taken out by the charity under Section 232(2) of the Companies Act 2006, costing £1,760 (2020: £1,760) for its trustees and officers against liabilities in relation to the charity.

Reserves

The Trustees have set a reserves policy which requires reserves to be maintained at a level which ensures LEAF's core activity could continue during a period of unforeseen difficulty (of not less than 4 months) and reserves be maintained in a readily realisable form. The calculation of the required level of reserves is an integral part of the organisation's planning, budget, and forecast cycle. It considers risks associated with each stream of income and expenditure being different from that budgeted, planned activity levels and the organisations commitments. The reserves levels are closely monitored as part of the management reporting and Trustee's will adjust policy dynamically by resolution in line with the associated risks. The current reserves policy aims for minimum free reserves of £600,000 (2020: £505,000). Additionally, the Trustee have designated £100,000 of current free reserves to capacity and capability rebuilding post pandemic. Actual free undesignated reserves at 31 March 2021 were £891,126 (2020: £616,172).

Investment policy

Any surplus funds are placed on short term deposit.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the Accounting Policies (Note 2.2).

PLANS FOR FUTURE ACTIVITIES

2021 is a significant and special year, not only for LEAF as we celebrate our landmark 30th anniversary but also for UK farming as we transition away from the CAP and look at ways to meet global carbon reduction targets. We are also heading towards COP26 later this this year, which will bring together world leaders to accelerate climate action.

LEAF Marque businesses are making outstanding achievements in delivering more sustainable farming and these hugely significant world events and campaigns only serve to amplify the importance and relevance of LEAF's work in supporting farmers towards more climate positive, regenerative and sustainable farming and food systems. Our members and growers are at the cutting edge of delivering the changes that are needed.

Added to this, the retail sector are themselves setting their own environmental targets. Food standards and safety, animal welfare and environmental protection are global issues, with consumers, food companies and governments all over the world looking for more sustainable methods of production. Through our strong links with the main multiples and the important advocacy role LEAF plays, we will continue to ensure that the voice of our members is heard; that the right balance is struck between the needs of farmers and what is achievable at a grass roots level, with those of our planet and our plates.

Our success in the field of education has also been remarkable and provides a solid foundation on which we will

**TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

continually build.

Scaling up our reach, quantifying and measuring results will be a priority in the year ahead. This will require us to develop deeper and extended business partnerships and new business models. In so doing, we will need to invest heavily in building capacity and capability to meet the increasing demands of such partnerships.

Our new 10 Year Strategy is paving a clear way forward and we are uniquely positioned as we navigate the next critical few years.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

The Trustees who were in office on the date of approval of these financial statements have confirmed, as far as they are aware, that there is no relevant audit information of which the auditors are unaware. Each of the trustees have confirmed that they have taken all the steps that they ought to have taken as trustees in order to make themselves aware of any relevant audit information and to establish that it has been communicated to the auditors.

AUDITORS

The auditors, Bishop Fleming LLP, have indicated their willingness to continue in office. A resolution concerning the appointment of auditors for the ensuing year will be proposed at the Annual General Meeting.

By order of the Board

Approved by order of the members of the board of Trustees and signed on their behalf by:

P G Wynn
Chair of Trustees
Date: 20/9/21

A handwritten signature in black ink, appearing to be 'P G Wynn', with a long horizontal flourish extending to the right.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING

OPINION

We have audited the financial statements of Linking Environment And Farming (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 March 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, 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 Financial Reporting Standard 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 Group's and of the parent charitable company's affairs as at 31 March 2021 and of the Group's incoming resources and application of resources, including its income and expenditure 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 and the Charities Act 2011.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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

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

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

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING
(CONTINUED)**

OTHER INFORMATION

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The Trustees are responsible for the other information contained within the Annual Report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

OPINION ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the Trustees' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report has been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company 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' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

RESPONSIBILITIES OF TRUSTEES

As explained more fully in the Trustees' Responsibilities Statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees 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 Trustees are responsible for assessing the Group's and the parent charitable 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 Trustees either intend to liquidate the Group or the parent charitable company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING
(CONTINUED)**

AUDITORS' 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 Auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- We have considered the nature of the sector, control environment and financial performance;
- We have considered the results of enquiries with management and members in relation to their own identification and assessment of the risk of irregularities within the entity; and
- We have reviewed the documentation of key processes and controls and performed walkthroughs of transactions to confirm that the systems are operating in line with documentation; and
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we have considered the opportunities and incentives that may exist within the organisation for fraud and identified the highest area of risk to be in relation to revenue recognition, with a particular risk in relation to year-end cut off. In common with all audits under ISAs (UK) we are also required to perform specific procedures to respond to the risk of management override.

We have also obtained understanding of the legal and regulatory frameworks that the Group operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the Charities Act 2011, Charity SORP 2019, FRS 102 and the terms and conditions attaching to material grants received by the Charity.

In addition, we considered the provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Group's ability to operate or avoid a material penalty. These included data protection regulations, health and safety regulations and employment legislation.

Our procedures to respond to risks identified included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- Performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- Reviewing board meeting minutes;
- Enquiring of management in relation to actual and potential claims or litigations;
- Performing detailed transactional testing in relation to the recognition of revenue, specifically grants, with a particular focus around year-end cut off; and
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgments made in accounting estimates are indicative of potential bias; and evaluating the business rationale of significant transactions that are unusual or outside the normal course of business.

We also communicated identified laws and regulations and potential fraud risks to all members of the engagement team and remained alert to possible indicators of fraud or non-compliance with laws and regulations throughout the audit.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LINKING ENVIRONMENT AND FARMING
(CONTINUED)**

As a result of the inherent limitations of an audit, there is a risk that not all irregularities, including a material misstatement in financial statements or non-compliance with regulation, will be detected by us. The risk increases the further removed compliance with a law and regulation is from the events and transactions reflected in the financial statements, given we will be less likely to be aware of it, or should the irregularity occur as a result of fraud rather than a one off error, as this may involve intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

USE OF OUR REPORT

This report is made solely to the charitable company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, and to the charitable company's trustees, as a body, Part 4 of the Charities (Accounts and Reports) Regulations 2008. Our audit work has been undertaken so that we might state to the charitable company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charitable company and its members, as a body, for our audit work, for this report, or for the opinions we have formed.



Andrew Wood FCCA (Senior Statutory Auditor)

for and on behalf of
Bishop Fleming LLP
Chartered Accountants
Statutory Auditors
1-3 College Yard

Worcester
WR1 2LB

Date: 14th October 2021

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND
EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 31 MARCH 2021**

	Note	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Income from:					
Donations and legacies	4	98,204	31,509	129,713	96,083
Charitable activities	5	1,186,705	249,037	1,435,742	1,398,805
Other trading activities	6	134,131	-	134,131	131,650
Investments	7	242	-	242	913
		<u>1,419,282</u>	<u>280,546</u>	<u>1,699,828</u>	<u>1,627,451</u>
Total income					
Expenditure on:					
Raising funds		101,127	-	101,127	128,625
Charitable activities	8	1,054,758	220,181	1,274,939	1,471,484
		<u>1,155,885</u>	<u>220,181</u>	<u>1,376,066</u>	<u>1,600,109</u>
Total expenditure					
Net income before net losses on investments		263,397	60,365	323,762	27,342
Net losses on investments		-	-	-	(145)
		<u>263,397</u>	<u>60,365</u>	<u>323,762</u>	<u>27,197</u>
Net income		263,397	60,365	323,762	27,197
Transfers between funds	21	18,000	(18,000)	-	-
		<u>281,397</u>	<u>42,365</u>	<u>323,762</u>	<u>27,197</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		676,110	64,844	740,954	713,757
Net movement in funds		281,397	42,365	323,762	27,197
		<u>957,507</u>	<u>107,209</u>	<u>1,064,716</u>	<u>740,954</u>
Total funds carried forward					

LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03035047

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Intangible assets	13		11,879		20,153
Tangible assets	14		54,647		39,785
Investments	15		321		321
			<u>66,847</u>		<u>60,259</u>
Current assets					
Debtors	16	467,502		472,817	
Cash at bank and in hand		1,111,151		522,094	
		<u>1,578,653</u>		<u>994,911</u>	
Creditors: amounts falling due within one year	17	(580,784)		(303,818)	
Net current assets			<u>997,869</u>		<u>691,093</u>
Total assets less current liabilities			<u>1,064,716</u>		<u>751,352</u>
Creditors: amounts falling due after more than one year	18		-		(10,398)
Total net assets			<u><u>1,064,716</u></u>		<u><u>740,954</u></u>
Charity funds					
Restricted funds	21		107,209		64,844
Unrestricted funds	21		957,507		676,110
Total funds			<u><u>1,064,716</u></u>		<u><u>740,954</u></u>

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

P G Wynn
Chair of Trustees
Date: 20/9/21



The notes on pages 18 to 43 form part of these financial statements.

LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)
REGISTERED NUMBER:03035047

CHARITY STATEMENT OF FINANCIAL POSITION
FOR THE YEAR ENDED 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	13	11,879	20,153
Tangible assets	14	54,647	39,785
Investments	15	322	322
		<u>66,848</u>	<u>60,260</u>
Current assets			
Debtors	16	499,092	495,668
Cash at bank and in hand		1,070,481	489,443
		<u>1,569,573</u>	<u>985,111</u>
Creditors: amounts falling due within one year	17	(576,787)	(299,101)
Net current assets		<u>992,786</u>	<u>686,010</u>
Total assets less current liabilities		<u>1,059,634</u>	<u>746,270</u>
Creditors: amounts falling due after more than one year	18	-	(10,398)
Net assets excluding pension asset		<u>1,059,634</u>	<u>735,872</u>
Total net assets		<u><u>1,059,634</u></u>	<u><u>735,872</u></u>
Charity funds			
Restricted funds	21	107,209	64,844
Unrestricted funds	21	952,425	671,028
Total funds		<u><u>1,059,634</u></u>	<u><u>735,872</u></u>

The Charity's net movement in funds for the year was £323,762 (2020 - £27,197).

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the Trustees and signed on their behalf by:

P G Wynn
Chairman
Date: 20/9/21



The notes on pages 18 to 43 form part of these financial statements.

LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash flows from operating activities		
Net cash used in operating activities	653,357	(54,305)
Cash flows from investing activities		
Investment income	242	913
Purchase of intangible assets	(16,931)	(5,654)
Purchase of tangible fixed assets	(34,957)	(6,525)
Net cash used in investing activities	(51,646)	(11,266)
Cash flows from financing activities		
Interest element of hire purchase contracts	(1,335)	(2,222)
Capital element of hire purchase contracts	(11,319)	(11,759)
Net cash used in financing activities	(12,654)	(13,981)
Change in cash and cash equivalents in the year	589,057	(79,552)
Cash and cash equivalents at the beginning of the year	522,094	601,646
Cash and cash equivalents at the end of the year	1,111,151	522,094

The notes on pages 18 to 43 form part of these financial statements

**LINKING ENVIRONMENT AND FARMING
(A COMPANY LIMITED BY GUARANTEE)**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. GENERAL INFORMATION

Linking Environment and Farming is a charitable company limited by guarantee incorporated in England & Wales and domiciled in England.

The registered office is National Agricultural Centre, Stoneleigh Park, Kenilworth, Warwickshire, CV8 2LG. The charitable company's registered number is 03035047.

In the event of the charity being wound up, each member has undertaken to contribute towards its liabilities a sum of not exceeding ten pounds.

The charity is registered as a charity, no 1045781, with the Charity Commission and is exempted from Corporation Tax on its income in the year.

2. ACCOUNTING POLICIES

2.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Linking Environment And Farming meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

The presentation currency for the group and the charitable company during the year was Sterling, and are rounded to the nearest £1.

The Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Charity and its subsidiary undertaking, LEAF Marque Limited, for the year. The results of the subsidiary are consolidated on a line by line basis.

The Charity has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Financial Activities in these financial statements.

2. ACCOUNTING POLICIES (continued)

2.2 GOING CONCERN

The trustees have reviewed all information available to them and do not consider there to be any significant doubts about the charitable company's ability to continue as a going concern. These financial statements have therefore been prepared on this basis.

The Trustees have prepared budgets and cash flow forecasts to for a period of at least 12 months following the date of approval of the financial statements. The group has a net asset value as at 31st March 2021 of £1,064,716 (2020: £725,954) and cash at bank and in hand of £1,111,151 (2020: £522,094). On this basis the financial statements have been prepared on a going concern basis.

The Trustees' assumptions and outlook consider the impact and uncertainty that the COVID-19 pandemic may have on the group. Updated projections have been put in place that consider a worst-case scenario in order to make sure the charitable company continues during these unprecedented times. This is being monitored on a weekly basis. The Trustees have also taken advantage of the government assistance, mainly the Coronavirus Job Retention Scheme.

The financial statements do not reflect the adjustments that would be necessary should the ability of the Charitable Company to operate be jeopardised due to a material issue with the availability of its work force, the level of demand for its services or a material decrease in revenues or grant funding.

2.3 FUND ACCOUNTING

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. The aim and use of each designated fund is set out in the notes to the financial statements.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

2. ACCOUNTING POLICIES (continued)

2.4 INCOME

Voluntary income including donations and grants that provide core funding or are of a general nature are recognised when there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability.

Income is only deferred when the donor specifies that the grant or donation can only be used in future accounting periods or the donor has imposed conditions which must be met before the charity has unconditional entitlement.

Investment income is accounted for when receivable.

Commission/membership income is accounted for, in full, when received.

Grants are included in the Consolidated Statement of Financial Activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance Sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.5 EXPENDITURE

Expenditure is recognised on an accruals basis when a liability is incurred. Contractual arrangements and performance related grants are recognised as goods or services are supplied.

Support costs include central functions.

Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements.

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on raising funds includes all expenditure incurred by the Group to raise funds for its charitable purposes and includes costs of all fundraising activities events and non-charitable trading.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

2. ACCOUNTING POLICIES (continued)

2.6 INTANGIBLE ASSETS AND AMORTISATION

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Intangible assets are amortised on a straight line basis over their estimated useful life. The carrying value of intangible assets is reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable.

The estimated useful lives are as follows:

Amortisation is provided on the following basis:

Website development	- 3 years
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2.7 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets costing £250 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged by equal annual instalments commencing with the date of acquisition at rates estimated to write off their cost less any residual value over their expected useful lives which are as follows:

Long-term leasehold property improvements	- Over the life of the lease
Motor vehicles	- 5 years
Furniture and equipment	- 3 - 10 years

2.8 GOVERNMENT GRANTS

Government grants relating to tangible fixed assets are treated as deferred income and released to the Consolidated Statement of Financial Activities over the expected useful lives of the assets concerned. Other grants are credited to the Consolidated Statement of Financial Activities as the related expenditure is incurred.

2.9 INVESTMENTS

Fixed asset investments are a form of financial instrument and are recognised at mid-market value at the balance sheet date.

2.10 RETIREMENT BENEFITS

The charity operates a defined contribution pension scheme and the pension charge represents the amounts payable by the charity to the fund in respect of the year.

2. ACCOUNTING POLICIES (continued)

2.11 INTEREST RECEIVABLE

Interest on funds held on deposit is included when receivable and the amount can be measured reliably by the Group; this is normally upon notification of the interest paid or payable by the institution with whom the funds are deposited.

2.12 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the reporting date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Consolidated Statement of Financial Activities.

2.13 HIRE PURCHASE AGREEMENTS

Assets obtained under hire purchase contracts are capitalised as tangible fixed assets at their fair value. Assets acquired by hire purchase are depreciated over their useful lives. The capital element of the future payments is treated as a liability and the interest is charged to the Consolidated Statement of Financial Activities on a straight line basis.

2.14 OPERATING LEASES

Rentals paid under operating leases are charged to the Consolidated Statement of Financial Activities on a straight line basis over the lease term.

2.15 DEBTORS

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.16 CASH AT BANK AND IN HAND

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.17 LIABILITIES

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt after allowing for any trade discounts due or the amount it has received as advanced payments for the goods or services it must provide.

2. ACCOUNTING POLICIES (continued)

2.18 FINANCIAL INSTRUMENTS

The Charity only has financial assets and financial liabilities of a kind that qualify as basic financial instruments.

Financial assets and liabilities that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of Financial Activities.

Financial assets and liabilities that are measured at fair value are determined using active market rate.

3. CRITICAL ACCOUNTING ESTIMATES AND AREAS OF JUDGEMENT

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

The key area of judgement applied when preparing the financial statements is around the recognition of income and expenditure relating to Open Farm Sunday. All income and expenditure relating to the Open Farm Sunday event held in 2021 is recognised in these financial statements. As the event is nationwide and extremely unlikely to be cancelled (i.e. it would require a significant force majeure such as extreme weather for the event to be cancelled) income and expenditure is non-refundable. Furthermore, sponsors immediately reap the benefits of their sponsorship throughout the promotion of the event. All income and expenditure is therefore deemed to occur in the period covered by these financial statements and has been recognised accordingly.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

4. INCOME FROM DONATIONS AND LEGACIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Donations	98,204	10,000	108,204	96,083
Government grants	-	21,509	21,509	-
TOTAL 2021	98,204	31,509	129,713	96,083
TOTAL 2020	89,483	6,600	96,083	

5. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Membership renewals	544,535	-	544,535	547,839
Sponsorship	289,101	104,500	393,601	372,887
Project funding, grants, research and talks	346,765	142,867	489,632	440,193
Other income and DBS	6,304	1,670	7,974	37,886
TOTAL 2021	1,186,705	249,037	1,435,742	1,398,805
TOTAL 2020	1,229,969	168,836	1,398,805	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

6. INCOME FROM OTHER TRADING ACTIVITIES

Income from non charitable trading activities

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Other income	2,123	2,123	-
Income from LEAF Marque Limited	132,008	132,008	131,650
	<u>134,131</u>	<u>134,131</u>	<u>131,650</u>
TOTAL 2020	<u>131,650</u>	<u>131,650</u>	

The wholly owned trading subsidiary LEAF Marque Limited is incorporated in England and Wales (company number 04454468) and pays all of its profits to the Charity under the Gift Aid scheme. During the year ended 31 March 2020 LEAF Marque Limited reported income of £140,594 (2020: £131,650) and expenditure of £101,127 (2020: £108,492). Gift Aid of £39,467 (2020: £23,158) was paid to the Charity in respect of LEAF Marque Limited's profit for the year.

7. INVESTMENT INCOME

	Unrestricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Dividends received	-	-	15
Interest receivable	242	242	898
TOTAL 2021	<u>242</u>	<u>242</u>	<u>913</u>
TOTAL 2020	<u>913</u>	<u>913</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

8. ANALYSIS OF EXPENDITURE ON CHARITABLE ACTIVITIES

Summary by fund type

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £	Total funds 2020 £
Integrated Farm Management	865,246	191,503	1,056,749	1,081,393
Education	189,512	28,678	218,190	390,091
TOTAL 2021	<u>1,054,758</u>	<u>220,181</u>	<u>1,274,939</u>	<u>1,471,484</u>
TOTAL 2020	<u>1,320,998</u>	<u>150,486</u>	<u>1,471,484</u>	

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £	Total funds 2020 £
Integrated Farm Management	959,462	97,287	1,056,749	1,081,393
Education	208,488	9,702	218,190	390,091
TOTAL 2021	<u>1,167,950</u>	<u>106,989</u>	<u>1,274,939</u>	<u>1,471,484</u>
TOTAL 2020	<u>1,290,284</u>	<u>181,200</u>	<u>1,471,484</u>	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF DIRECT COSTS

	Integrated farm management 2021 £	Education 2021 £	Total funds 2021 £	Total funds 2020 £
Staff costs	688,435	9,960	698,395	717,678
Staff welfare and recruitment	21,102	-	21,102	19,778
Premises	26,073	1,634	27,707	19,183
Travel and subsistence	3,142	230	3,372	58,976
Hospitality and meeting costs	12	105	117	25,007
Training	4,379	225	4,604	7,118
Printing, postage, stationery and telephone	20,946	2,128	23,074	51,611
PR & marketing	42,636	15,698	58,334	61,125
Professional and consultancy fees	101,839	31,808	133,647	100,139
Website costs	40,220	39,707	79,927	101,029
Subscriptions	3,277	-	3,277	3,780
Repairs and maintenance	7,401	960	8,361	12,607
Field team	-	106,033	106,033	112,253
TOTAL 2021	959,462	208,488	1,167,950	1,290,284
TOTAL 2020	936,085	354,199	1,290,284	

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

9. ANALYSIS OF EXPENDITURE BY ACTIVITIES (CONTINUED)

ANALYSIS OF SUPPORT COSTS

	Integrated farm management 2021 £	Education 2021 £	Total funds 2021 £	Total funds 2020 £
Depreciation and amortisation	38,638	-	38,638	46,077
Premises	6,175	-	6,175	9,182
Travel and subsistence	190	-	190	26,684
Hospitality and meeting costs	-	-	-	11,012
Audit and accountancy	23,001	9,626	32,627	26,933
Professional and consultancy fees	22,467	-	22,467	42,916
Subscriptions	1,404	-	1,404	1,620
Repairs and maintenance	1,169	-	1,169	5,401
General expenses	268	55	323	4,376
Bank charges	2,518	21	2,539	2,642
Hire purchase interest	1,335	-	1,335	2,222
Governance costs	122	-	122	2,135
	<u>97,287</u>	<u>9,702</u>	<u>106,989</u>	<u>181,200</u>
TOTAL 2020	<u>145,308</u>	<u>35,892</u>	<u>181,200</u>	

Relevant costs are split between direct and support in a ratio of 70:30 respectively.

10. AUDITORS' REMUNERATION

The auditors' remuneration amounts to an auditor fee of £11,150 (2020: £10,000), and accounts preparation and tax compliance services of £3,650 (2020: £3,450).

11. STAFF COSTS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Wages and salaries	535,034	555,821	535,034	555,821
Social security costs	62,427	61,641	62,427	61,641
Contribution to defined contribution pension schemes	100,934	100,216	100,934	100,216
	<u>698,395</u>	<u>717,678</u>	<u>698,395</u>	<u>717,678</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

11. STAFF COSTS (CONTINUED)

The average number of persons employed by the Charity during the year was as follows:

	Group 2021 No.	Group 2020 No.
Employees	20	20

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2021 No.	Group 2020 No.
In the band £70,001 - £80,000	1	1

The key management personnel of the group comprises the Trustees and the Senior Management Team. The total employee benefits of the key management personnel were £317,281 (2020: £413,020).

12. TRUSTEES' REMUNERATION AND EXPENSES

During the year, no Trustees received any remuneration or other benefits (2020 - £NIL).

During the year ended 31 March 2021, no travel and general expenses were reimbursed or paid directly to any Trustees. (2020: £3,064 to 6 Trustees for travel and general expenses).

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

13. INTANGIBLE ASSETS

GROUP AND CHARITY

	Website development £
COST	
At 1 April 2020	78,122
Additions	10,271
At 31 March 2021	88,393
AMORTISATION	
At 1 April 2020	57,969
Charge for the year	18,545
At 31 March 2021	76,514
NET BOOK VALUE	
At 31 March 2021	11,879
At 31 March 2020	20,153

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

14. TANGIBLE FIXED ASSETS

GROUP AND CHARITY

	Long-term leasehold property improvements £	Motor vehicles £	Furniture and equipment £	Total £
COST OR VALUATION				
At 1 April 2020	15,893	46,174	130,114	192,181
Additions	28,297	-	6,660	34,957
At 31 March 2021	44,190	46,174	136,774	227,138
DEPRECIATION				
At 1 April 2020	10,595	32,823	108,978	152,396
Charge for the year	5,298	4,855	9,942	20,095
At 31 March 2021	15,893	37,678	118,920	172,491
NET BOOK VALUE				
At 31 March 2021	28,297	8,496	17,854	54,647
At 31 March 2020	5,298	13,351	21,136	39,785

Assets held under finance leases and hire purchase agreements

Included within the net book value of £54,647 (2020: £39,785) is an amount of £8,496 (2020: £18,784) relating to assets held under finance leases and hire purchase agreements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

15. FIXED ASSET INVESTMENTS

	Investments £
CHARITY	
COST OR VALUATION	
At 1 April 2020	467
Revaluations	(145)
AT 31 MARCH 2021	<u>322</u>
NET BOOK VALUE	
AT 31 MARCH 2021	<u>322</u>
AT 31 MARCH 2020	<u>467</u>

Investments held by the Charity include a £1 (2020: £1) investment in the subsidiary company, LEAF Marque Limited. This represents the Trustees' estimate of the market value of this investment. The investment represents the entire share capital of LEAF Marque Limited, a company incorporated in England and Wales. The company was incorporated on 5 June 2002. The principal activity of LEAF Marque Limited is to promote Integrated Farm Management through the use of the LEAF Marque trademark. The activities and results of this company are summarised in Note 6.

16. DEBTORS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
DUE WITHIN ONE YEAR				
Trade debtors	311,271	364,109	279,194	349,874
Amounts owed by group undertakings	-	-	71,991	45,310
Other debtors	19,039	-	19,039	-
Prepayments and accrued income	137,092	108,708	128,868	100,484
Tax recoverable	100	-	-	-
	<u>467,502</u>	<u>472,817</u>	<u>499,092</u>	<u>495,668</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Trade creditors	34,308	33,262	34,308	33,262
Other taxation and social security	101,036	53,060	100,039	51,343
Obligations under finance lease and hire purchase contracts	10,398	11,319	10,398	11,319
Other creditors	536	1,106	536	1,106
Accruals and deferred income	434,506	205,071	431,506	202,071
	580,784	303,818	576,787	299,101
	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Deferred income at 1 April 2020	191,959	58,537	191,959	58,537
Resources deferred during the year	507,058	207,070	507,058	207,070
Amounts released from previous periods	(308,199)	(73,648)	(308,199)	(73,648)
	390,818	191,959	390,818	191,959

Deferred income comprises grant and other income received in respect of various projects and in relation to Open Farm Sunday that take place in future periods.

Secured debts:

Obligations under finance lease and hire purchase contracts of £10,398 (2020: £11,319) are secured against the assets financed.

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

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Net obligations under finance lease and hire purchase contracts	-	10,398	-	10,398

Secured debts:

Obligations under finance lease and hire purchase contracts of £Nil (2020: £10,398) are secured against the assets financed.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

19. FINANCIAL INSTRUMENTS

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
FINANCIAL ASSETS				
Financial assets measured at fair value through income and expenditure	1,111,151	522,094	1,070,481	489,443

Financial assets measured at fair value through income and expenditure comprise cash at bank and in hand

20. CORPORATION TAX

The Charity is exempt from tax on income and gains falling within section 505 of the Taxes Act 1988 or section 252 of the Taxation Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

21. STATEMENT OF FUNDS

STATEMENT OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
UNRESTRICTED FUNDS					
DESIGNATED FUNDS					
Designated Funds	59,938	-	-	6,443	66,381
GENERAL FUNDS					
General Funds	616,172	1,419,282	(1,155,885)	11,557	891,126
TOTAL UNRESTRICTED FUNDS	676,110	1,419,282	(1,155,885)	18,000	957,507
RESTRICTED FUNDS					
EU Horizon 2020	-	135,761	(135,761)	-	-
Chef on the Farm	3,377	-	-	-	3,377
ATF/Cevas	16,036	8,920	(12,944)	-	12,012
FarmerTime	45,431	39,143	(15,734)	(18,000)	50,840
Countryside classroom	-	68,750	(34,233)	-	34,517
ISEAL	-	6,463	-	-	6,463
Other government grants	-	21,509	(21,509)	-	-
	64,844	280,546	(220,181)	(18,000)	107,209
TOTAL OF FUNDS	740,954	1,699,828	(1,376,066)	-	1,064,716

21. STATEMENT OF FUNDS (CONTINUED)

Unrestricted funds are those which can be used in accordance with the charitable objectives at the discretion of the Trustees, as defined in the accounting policies.

The Trustees have designated funds which represent the unrestricted fixed assets of the Charity. The transfer relates to the movement on these unrestricted fixed assets.

Restricted funds are those held for specific purposes, as specified by the funder, as defined in the accounting policies.

FUND DESCRIPTIONS:

EU Horizon - This restricted fund relates to the grant funds projects under this scheme, which commenced in the 2016/17 and 2017/18 financial years.

Chef on the Farm - This restricted fund relates to the project under this scheme, which commenced post FACE merger.

ATF/Cevas - This restricted fund relates to the project under this scheme, which commenced post merger.

FarmerTime - This restricted fund relates to the project under this scheme, which commenced during 2019.

ISEAL - This restricted fund relates to the project under this scheme, which is carried out by LEAF Marque, and commenced during the 2020/21 financial year.

Other government grants - This restricted fund relates to JRS grants provided by the Government.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

21. STATEMENT OF FUNDS (CONTINUED)

STATEMENT OF FUNDS - PRIOR YEAR

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
UNRESTRICTED FUNDS						
DESIGNATED FUNDS						
Designated Funds	93,836	-	-	(33,898)	-	59,938
GENERAL FUNDS						
General Funds	559,894	1,452,015	(1,429,490)	33,898	(145)	616,172
TOTAL UNRESTRICTED FUNDS	653,730	-	(1,429,490)	-	(145)	676,110
RESTRICTED FUNDS						
EU Horizon 2020	-	118,800	(118,800)	-	-	-
Chef on the Farm	4,485	2,250	(3,358)	-	-	3,377
ATF/Cevas	28,615	17,190	(29,769)	-	-	16,036
FarmerTime	26,927	37,196	(18,692)	-	-	45,431
	60,027	175,436	(170,619)	-	-	64,844
TOTAL OF FUNDS	713,757	175,436	(1,600,109)	-	(145)	740,954

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

21. STATEMENT OF FUNDS (CONTINUED)

FUND DESCRIPTIONS:

EU Horizon - This restricted fund relates to the grant funds projects under this scheme, which commenced in the 2016/17 and 2017/18 financial years.

Chef on the Farm - This restricted fund relates to the project under this scheme, which commenced post FACE merger.

ATF/Cevas - This restricted fund relates to the project under this scheme, which commenced post merger.

FarmerTime - This restricted fund relates to the project under this scheme, which commenced during 2019.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

22. SUMMARY OF FUNDS

SUMMARY OF FUNDS - CURRENT YEAR

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers in/out £	Balance at 31 March 2021 £
Designated funds	59,938	-	-	6,443	66,381
General funds	616,172	1,419,282	(1,155,885)	11,557	891,126
Restricted funds	64,844	280,546	(220,181)	(18,000)	107,209
	<u>740,954</u>	<u>1,699,828</u>	<u>(1,376,066)</u>	<u>-</u>	<u>1,064,716</u>

SUMMARY OF FUNDS - PRIOR YEAR

	Balance at 1 April 2019 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 March 2020 £
Designated funds	93,836	-	-	(33,898)	-	59,938
General funds	559,894	1,452,015	(1,429,490)	33,898	(145)	616,172
Restricted funds	60,027	175,436	(170,619)	-	-	64,844
	<u>713,757</u>	<u>1,627,451</u>	<u>(1,600,109)</u>	<u>-</u>	<u>(145)</u>	<u>740,954</u>

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS

ANALYSIS OF NET ASSETS BETWEEN FUNDS - CURRENT YEAR

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Tangible fixed assets	54,647	-	54,647
Intangible fixed assets	11,879	-	11,879
Fixed asset investments	321	-	321
Current assets	1,471,444	107,209	1,578,653
Creditors due within one year	(580,784)	-	(580,784)
TOTAL	<u>957,507</u>	<u>107,209</u>	<u>1,064,716</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

23. ANALYSIS OF NET ASSETS BETWEEN FUNDS (CONTINUED)

ANALYSIS OF NET ASSETS BETWEEN FUNDS - PRIOR YEAR

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £
Tangible fixed assets	39,785	-	39,785
Intangible fixed assets	20,153	-	20,153
Fixed asset investments	321	-	321
Current assets	930,067	64,844	994,911
Creditors due within one year	(303,818)	-	(303,818)
Creditors due in more than one year	(10,398)	-	(10,398)
TOTAL	676,110	64,844	740,954

24. RECONCILIATION OF NET MOVEMENT IN FUNDS TO NET CASH FLOW FROM OPERATING ACTIVITIES

	Group 2021 £	Group 2020 £
Net income for the year (as per Statement of Financial Activities)	323,762	27,197
ADJUSTMENTS FOR:		
Depreciation charges	20,095	28,399
Amortisation charges	25,205	17,678
Loss on investments	-	145
Investment income	(242)	(913)
Interest paid	1,335	2,222
Decrease/(increase) in debtors	5,415	(236,358)
Increase in creditors	277,887	107,325
Corporation tax (received)/paid	(100)	-
NET CASH PROVIDED BY/(USED IN) OPERATING ACTIVITIES	653,357	(54,305)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	Group 2021 £	Group 2020 £
Cash in hand	1,111,151	522,094

26. ANALYSIS OF CHANGES IN NET DEBT

	At 1 April 2020 £	Cash flows £	At 31 March 2021 £
Cash at bank and in hand	522,094	589,057	1,111,151
Finance leases	(21,717)	11,319	(10,398)
	500,377	600,376	1,100,753

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

27. PENSION COMMITMENTS

The Charity operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £100,934 (2020: £100,216). As at the year end, the Charity had outstanding pension contributions of £255 (2020: £205).

28. OPERATING LEASE COMMITMENTS

At 31 March 2021 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £	Charity 2021 £	Charity 2020 £
Not later than 1 year	18,126	8,112	18,126	8,112
Later than 1 year and not later than 5 years	69,876	1,752	69,876	1,752
	88,002	9,864	88,002	9,864

29. FINANCE LEASE COMMITMENTS

Minimum lease payments under hire purchase and finance lease agreements fall due as follows:

	2021 £	2020 £
Within 1 year	8,856	13,351
Between 2 - 5 years	3,398	12,254
	12,254	25,605

30. RELATED PARTY TRANSACTIONS

During the year the Charity traded with the John Innes Foundation, a charity in which K R Norman is a trustee. The Charity received income during the year of £11,325 (2020: £Nil) in respect of project work undertaken during the financial year. At the year end a balance of £Nil (2020: £Nil) was due from the John Innes Foundation.

During the year the Charity traded with Waldersley Farms Limited, a company in which C R Porter is a director. The Charity received membership income during the year of £530 (2020: £Nil). At the year end a balance of £Nil (2020: £Nil) was due from Waldersley Farms Limited.

During the year the Charity traded with Beeswax Dyson Farming Limited, a company in which P G Wynn is a director. During the year the Charity received donations and membership income of £12,530 (2020: £12,624). During the year the Charity also incurred and paid for services of £480 (2020: Nil). At the year end a balance of £Nil (2020: £Nil) was due from Beeswax Dyson Farming Limited.

During the year the Charity traded with Haygrove Development Limited, a company in which A J Davison is a director. During the year the Charity received income of £10 (2020: £115). At the year end a balance of £Nil (2020: £Nil) was due from Haygrove Development Limited.

During the year the Charity recharged expenses to its wholly owned subsidiary LEAF Marque Limited totalling £55,174 (2020: £50,924). LEAF Marque Limited also Gift Aided the Charity £39,467 as at the year end (2020: £23,158). As at the year end a balance of £71,991 (2020: £45,310) was due from LEAF Marque Limited.