

# **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

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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.

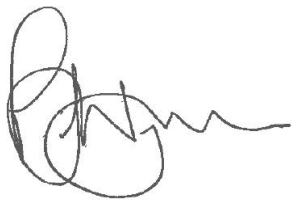
In order to support the expected growth in members and demand for our services, we have invested heavily in staff recruitment during the year across all departments and this is set to continue into the next financial year.

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**

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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**

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#### **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**

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#### **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

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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

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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

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- 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 C02 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

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#### 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**

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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**

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#### **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)**

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#### **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)

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#### 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)

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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](http://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 £
<b>Income from:</b>					
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	-
<b>Total income</b>		<b>1,662,648</b>	<b>343,319</b>	<b>2,005,967</b>	<b>1,699,828</b>
<b>Expenditure on:</b>					
Raising funds		102,548	-	102,548	101,127
Charitable activities	10	1,476,540	188,597	1,665,137	1,274,939
<b>Total expenditure</b>		<b>1,579,088</b>	<b>188,597</b>	<b>1,767,685</b>	<b>1,376,066</b>
<b>Net income</b>		<b>83,560</b>	<b>154,722</b>	<b>238,282</b>	<b>323,762</b>
Transfers between funds	22	(18,000)	18,000	-	-
<b>Net movement in funds</b>		<b>65,560</b>	<b>172,722</b>	<b>238,282</b>	<b>323,762</b>
<b>Reconciliation of funds:</b>					
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
<b>Total funds carried forward</b>		<b>1,023,067</b>	<b>279,931</b>	<b>1,302,998</b>	<b>1,064,716</b>

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**

	<b>Note</b>	<b>2022 £</b>	<b>2021 £</b>
<b>Fixed assets</b>			
Intangible assets	15	<b>554</b>	11,879
Tangible assets	16	<b>70,189</b>	54,647
Investments	17	<b>322</b>	321
		<b>71,065</b>	66,847
<b>Current assets</b>			
Debtors	18	<b>573,605</b>	467,502
Cash at bank and in hand		<b>1,057,349</b>	1,111,151
		<b>1,630,954</b>	1,578,653
Creditors: amounts falling due within one year	19	<b>(399,021)</b>	(580,784)
<b>Net current assets</b>		<b>1,231,933</b>	997,869
<b>Total assets less current liabilities</b>		<b>1,302,998</b>	1,064,716
<b>Net assets excluding pension asset</b>		<b>1,302,998</b>	1,064,716
<b>Total net assets</b>		<b>1,302,998</b>	1,064,716
<b>Charity funds</b>			
Restricted funds	22	<b>279,931</b>	107,209
Unrestricted funds	22	<b>1,023,067</b>	957,507
<b>Total funds</b>		<b>1,302,998</b>	1,064,716

**CONSOLIDATED BALANCE SHEET (CONTINUED)**  
**AS AT 31 MARCH 2022**

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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 £
<b>Fixed assets</b>					
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>
<b>Current assets</b>					
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)	
<b>Net current assets</b>			<u>1,226,851</u>		<u>992,786</u>
<b>Total assets less current liabilities</b>			<u>1,297,916</u>		<u>1,059,634</u>
<b>Net assets excluding pension asset</b>			<u>1,297,916</u>		<u>1,059,634</u>
<b>Total net assets</b>			<u><u>1,297,916</u></u>		<u><u>1,059,634</u></u>
<b>Charity funds</b>					
Restricted funds	22		255,171		107,209
Unrestricted funds	22		1,042,745		952,425
<b>Total funds</b>			<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**

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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.

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.

## LINKING ENVIRONMENT AND FARMING

### CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2022

	2022 £	2021 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	(60,930)	653,357
<b>Cash flows from investing activities</b>		
Investment income	64	242
Purchase of intangible assets	-	(16,931)
Purchase of tangible fixed assets	(37,630)	(34,957)
<b>Net cash used in investing activities</b>	(37,566)	(51,646)
<b>Cash flows from financing activities</b>		
Interest element of hire purchase contracts	(585)	(1,335)
Capital element of hire purchase contracts	(7,686)	(11,319)
<b>Net cash used in financing activities</b>	(8,271)	(12,654)
<b>Change in cash and cash equivalents in the year</b>	(106,767)	589,057
Cash and cash equivalents at the beginning of the year	1,111,151	522,094
<b>Cash and cash equivalents at the end of the year</b>	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**

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#### **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	<b>137,822</b>	108,204
Government grants	-	-	-	21,509
<b>TOTAL 2022</b>	<b>132,833</b>	<b>4,989</b>	<b>137,822</b>	<b>129,713</b>
TOTAL 2021	98,204	31,509	129,713	

#### 6. INCOME FROM CHARITABLE ACTIVITIES

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Membership renewals	571,499	-	<b>571,499</b>	544,535
Sponsorship	486,082	117,550	<b>603,632</b>	393,601
Project funding, grants, research and talks	291,578	220,780	<b>512,358</b>	489,632
Other income and DBS	33,070	-	<b>33,070</b>	7,974
<b>TOTAL 2022</b>	<b>1,382,229</b>	<b>338,330</b>	<b>1,720,559</b>	<b>1,435,742</b>
TOTAL 2021	1,186,705	249,037	1,435,742	

## 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	<b>1,297</b>	2,123
Income from LEAF Marque Limited	120,704	<b>120,704</b>	132,008
	<u>122,001</u>	<u><b>122,001</b></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	<b>6</b>	-
Interest receivable	64	<b>64</b>	242
<b>TOTAL 2022</b>	<u>70</u>	<u><b>70</b></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	<b>25,515</b>	-

## 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	<b>1,476,539</b>	1,056,749
Education	162,508	26,090	<b>188,598</b>	218,190
<b>TOTAL 2022</b>	<u>1,476,540</u>	<u>188,597</u>	<u><b>1,665,137</b></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	<b>1,476,539</b>	1,056,749
Education	187,573	1,025	<b>188,598</b>	218,190
<b>TOTAL 2022</b>	<u>1,474,098</u>	<u>191,039</u>	<u><b>1,665,137</b></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	<b>875,376</b>	698,395
Staff welfare and recruitment	24,338	-	<b>24,338</b>	21,102
Premises	27,518	1,660	<b>29,178</b>	27,707
Travel and subsistence	29,801	-	<b>29,801</b>	3,372
Hospitality and meeting costs	6,332	872	<b>7,204</b>	117
Training	2,418	-	<b>2,418</b>	4,604
Printing, postage, stationery and telephone	42,646	3,648	<b>46,294</b>	23,074
PR & marketing	70,714	-	<b>70,714</b>	58,334
Professional and consultancy fees	119,151	69,406	<b>188,557</b>	133,647
Website costs	71,252	16,650	<b>87,902</b>	79,927
Subscriptions	6,564	-	<b>6,564</b>	3,277
Repairs and maintenance	8,678	960	<b>9,638</b>	8,361
Field team	9,093	87,021	<b>96,114</b>	106,033
<b>TOTAL 2022</b>	<b>1,286,525</b>	<b>187,573</b>	<b>1,474,098</b>	<b>1,167,950</b>
<b>TOTAL 2021</b>	<b>959,462</b>	<b>208,488</b>	<b>1,167,950</b>	

## 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	-	<b>32,303</b>	38,638
Premises	12,552	-	<b>12,552</b>	6,175
Travel and subsistence	10,976	-	<b>10,976</b>	190
Hospitality and meeting costs	8,303	-	<b>8,303</b>	-
Audit and accountancy	27,422	600	<b>28,022</b>	32,627
Professional and consultancy fees	81,733	-	<b>81,733</b>	22,467
Subscriptions	2,812	-	<b>2,812</b>	1,404
Repairs and maintenance	4,130	-	<b>4,130</b>	1,169
General expenses	4,154	-	<b>4,154</b>	323
Bank charges	4,382	425	<b>4,807</b>	2,539
Hire purchase interest	585	-	<b>585</b>	1,335
Governance costs	662	-	<b>662</b>	122
<b>TOTAL 2022</b>	<b>190,014</b>	<b>1,025</b>	<b>191,039</b>	<b>106,989</b>
<b>TOTAL 2021</b>	<b>97,287</b>	<b>9,702</b>	<b>106,989</b>	

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	<b>684,806</b>	535,034	<b>684,806</b>	535,034
Social security costs	<b>72,319</b>	62,427	<b>72,319</b>	62,427
Contribution to defined contribution pension schemes	<b>118,251</b>	100,934	<b>118,251</b>	100,934
	<b>875,376</b>	698,395	<b>875,376</b>	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:

	<b>Group 2022 No.</b>	<b>Group 2021 No.</b>
Employees	<b>26</b>	<b>20</b>

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

	<b>Group 2022 No.</b>	<b>Group 2021 No.</b>
In the band £70,001 - £80,000	<b>1</b>	<b>1</b>

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

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#### 15. INTANGIBLE ASSETS

##### GROUP AND CHARITY

	Website development £
<b>COST</b>	
At 1 April 2021	88,393
At 31 March 2022	<u>88,393</u>
<b>AMORTISATION</b>	
At 1 April 2021	76,514
Charge for the year	11,325
At 31 March 2022	<u>87,839</u>
<b>NET BOOK VALUE</b>	
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 £
<b>COST OR VALUATION</b>				
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
<b>DEPRECIATION</b>				
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
<b>NET BOOK VALUE</b>				
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 £
<b>CHARITY</b>	
<b>COST OR VALUATION</b>	
At 1 April 2021	467
Revaluations	(145)
	<u>322</u>
AT 31 MARCH 2022	<u>322</u>
<b>NET BOOK VALUE</b>	
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 £
<b>DUE WITHIN ONE YEAR</b>				
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>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022**19. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Charity 2022 £</b>	<b>Charity 2021 £</b>
Trade creditors	<b>88,547</b>	34,308	<b>82,352</b>	34,308
Other taxation and social security	<b>105,593</b>	101,036	<b>97,251</b>	100,039
Obligations under finance lease and hire purchase contracts	<b>2,711</b>	10,398	<b>2,711</b>	10,398
Other creditors	<b>13,153</b>	536	<b>13,153</b>	536
Accruals and deferred income	<b>189,017</b>	434,506	<b>186,017</b>	431,506
	<b>399,021</b>	580,784	<b>381,484</b>	576,787
	<b>Group 2022 £</b>	<b>Group 2021 £</b>	<b>Charity 2022 £</b>	<b>Charity 2021 £</b>
Deferred income at 1 April 2021	<b>390,818</b>	191,959	<b>390,818</b>	191,959
Resources deferred during the year	<b>46,883</b>	507,058	<b>46,883</b>	507,058
Amounts released from previous periods	<b>(246,125)</b>	(308,199)	<b>(246,125)</b>	(308,199)
	<b>191,576</b>	390,818	<b>191,576</b>	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

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20. FINANCIAL INSTRUMENTS

	<b>Group 2022 £</b>	Group 2021 £	<b>Charity 2022 £</b>	Charity 2021 £
<b>FINANCIAL ASSETS</b>				
Financial assets measured at fair value through income and expenditure	<b>1,057,349</b>	1,111,151	<b>959,834</b>	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 £
<b>UNRESTRICTED FUNDS</b>					
<b>DESIGNATED FUNDS</b>					
Designated Funds - all funds	<b>66,381</b>	-	-	-	<b>66,381</b>
<b>GENERAL FUNDS</b>					
General Funds - all funds	<b>891,126</b>	<b>1,662,648</b>	<b>(1,579,088)</b>	<b>(18,000)</b>	<b>956,686</b>
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>957,507</b>	<b>1,662,648</b>	<b>(1,579,088)</b>	<b>(18,000)</b>	<b>1,023,067</b>
<b>RESTRICTED FUNDS</b>					
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
	<b>107,209</b>	<b>343,319</b>	<b>(188,597)</b>	<b>18,000</b>	<b>279,931</b>
<b>TOTAL OF FUNDS</b>	<b>1,064,716</b>	<b>2,005,967</b>	<b>(1,767,685)</b>	<b>-</b>	<b>1,302,998</b>

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2022

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**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 £
<b>UNRESTRICTED FUNDS</b>					
<b>DESIGNATED FUNDS</b>					
Designated Funds	59,938	-	-	6,443	66,381
<b>GENERAL FUNDS</b>					
General Funds	616,172	1,419,282	(1,155,885)	11,557	891,126
<b>TOTAL UNRESTRICTED FUNDS</b>	<b>676,110</b>	<b>1,419,282</b>	<b>(1,155,885)</b>	<b>18,000</b>	<b>957,507</b>
<b>RESTRICTED FUNDS</b>					
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
<b>TOTAL OF FUNDS</b>	<b>740,954</b>	<b>1,699,828</b>	<b>(1,376,066)</b>	<b>-</b>	<b>1,064,716</b>

**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)
<b>TOTAL</b>	<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)
<b>TOTAL</b>	<b>957,507</b>	<b>107,209</b>	<b>1,064,716</b>

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

	<b>Group 2022 £</b>	<b>Group 2021 £</b>
Net income for the year (as per Statement of Financial Activities)	<b>238,282</b>	323,762
<b>ADJUSTMENTS FOR:</b>		
Depreciation charges	<b>22,088</b>	20,095
Amortisation charges	<b>11,325</b>	25,205
Investment income	<b>(64)</b>	(242)
Interest paid	<b>585</b>	1,335
Decrease/(increase) in debtors	<b>(122,760)</b>	5,415
Increase/(decrease) in creditors	<b>(135,744)</b>	277,887
Corporation tax (received)/paid	-	(100)
<b>NET CASH PROVIDED BY OPERATING ACTIVITIES</b>	<b>13,712</b>	653,357

#### 26. ANALYSIS OF CASH AND CASH EQUIVALENTS

	<b>Group 2022 £</b>	<b>Group 2021 £</b>
Cash in hand	<b>1,004,384</b>	1,111,151

## LINKING ENVIRONMENT AND FARMING

### 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>

**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.