

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
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**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;

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

**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 2022 £
Fixed assets	Note		
Intangible assets	13	29,359	554
Tangible assets	14	60,400	70,189
Investments	15	322	322
		<u>90,081</u>	<u>71,065</u>
Current assets			
Debtors	16	616,408	589,255
Cash at bank and in hand		670,778	1,057,349
		<u>1,287,186</u>	<u>1,646,604</u>
Creditors: amounts falling due within one year	17	(192,139)	(399,021)
Net current assets		<u>1,095,047</u>	<u>1,247,583</u>
Total net assets		<u><u>1,185,128</u></u>	<u><u>1,318,648</u></u>
Charity funds			
Restricted funds	21	429,940	279,931
Unrestricted funds	21	755,188	1,038,717
Total funds		<u><u>1,185,128</u></u>	<u><u>1,318,648</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: 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
	<u>1,318,648</u>	<u>2,072,555</u>	<u>(2,206,075)</u>	<u>1,185,128</u>

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
	<u>1,064,716</u>	<u>2,021,617</u>	<u>(1,767,685)</u>	<u>-</u>	<u>1,318,648</u>

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	<u>755,188</u>	<u>429,940</u>	<u>1,185,128</u>

**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).