

Registered number: 04712419
Charity number: 1097174

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2023

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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THE MORLEY AGRICULTURAL FOUNDATION
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REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS
FOR THE YEAR ENDED 31 AUGUST 2023

Trustees	J S Wallace (resigned 2 February 2023) S Rawsthorne C E A P Hill P E Richardson (resigned 2 February 2023) R Wilbourn N J Steed T S Evans B W R Hadingham S E Lord P Mutimer (appointed 2 February 2023)
Company registered number	04712419
Charity registered number	1097174
Registered office	Morley Business Centre Deopham Road Wymondham Norfolk NR18 9DF
Company secretary	M Canham
Independent auditors	MA Partners Audit LLP Chartered Accountants and Statutory Auditors 7 The Close Norwich Norfolk NR1 4DJ
Solicitors	Birketts LLP Kingfisher House 1 Guilders Way Off BaRrack Street Norwich NR3 1UB
Investment Managers	Barratt & Cooke 5 Opie Street Norwich Norfolk NR1 3DW

THE MORLEY AGRICULTURAL FOUNDATION
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TRUSTEES' REPORT
FOR THE YEAR ENDED 31 AUGUST 2023

The Trustees present their annual report together with the audited financial statements of the The Morley Agricultural Foundation for the 1 September 2022 to 31 August 2023. The Annual Report serves the purposes of both a Trustees' report and a Directors' report under company law. The Trustees confirm that the Annual Report and financial statements of the Charity comply with the current statutory requirements, the requirements of the Charity's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

a. Policies and objectives

The Foundation exists to promote for public benefit the study and knowledge of agricultural science and the application of modern techniques to agriculture and husbandry in all their branches, including the breeding, feeding and management of livestock and poultry, horticulture and silviculture.

In setting objectives and planning for activities, the Trustees have given due consideration to general guidance published by the Charity Commission relating to public benefit, including the guidance 'Public benefit: running a charity (PB2)'.

b. Strategies for achieving objectives

The Trustees focus on making a positive impact on the promotion for public benefit the study and knowledge of agricultural science and the application of modern techniques to agriculture and husbandry in all their branches. They seek to do this by making optimum investment of the Foundation's funds and distributing income and work with local organisations and individuals that conform to the Memorandum of Articles.

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

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

Grant commitments were made during the course of the year to:

- NIAB, two main grants, one to continue funding the New Farm Systems project, now in its 12th year and the other to Morley Long Term Trial Series (LoTS). This is a collection of initiatives which a) maintain long term experiments at Morley, b) collaborate with education providers to support undergraduate and postgraduate opportunities associated with TMAF, c) test and evaluate new innovations and technologies and report on this to students and farmers in the region, d) communicate and collaborate with TMAF to host, deliver and demonstrate impartial research in the region.
- Morley Soil and Agronomic Monitoring Study (SAMS)
- British Beet Research Organisation INSPIRE project monitoring spatial crop variabilities throughout crop rotation
- Harper Adams Controlled Research into reducing field traffic intensity
- MRes Agricultural Systems Management Course Nottingham University
- British Beet Research Organisation assessing carbon dynamics in sugar beet
- Agri Tech East's Young Innovators Forum.
- The Essex Schools Food and Farming day.
- John Edgar Trust Management course – funding East Anglia applicants
- PhD vining peas Nottingham University
- NIAB CTP
- YEN Zero
- EARS3 Funding Newcastle University.
- Various Morley PhD (in tandem with NIAB, Cambridge University and UEA).
- Morley clean water project
- Our Bursaries fund for students.

d. Social investment policies

The Trustees continue to believe the current mix of property assets and investment portfolio provide the best long term strategy for the creation of income to support its grant programme. Together with portfolio managers, the Trustees review investment performance against objectives set. The social, environmental and ethical considerations of the Trustees are discussed with the portfolio manager on an annual basis to ensure it is in line with the beliefs of the Foundation.

THE MORLEY AGRICULTURAL FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Objectives and activities (continued)

e. Grant-making policies

The Foundation accepts applications for funding from both individuals and institutions. Applications are reviewed to ensure compliance with the Charity's objectives and for suitability by the Trustees before any grants are made. Total grant commitments are determined in line with the projected investment income for the period.

f. Volunteers

The Foundation relies on the professional expertise of its Trustees, all of whom provide their services on a voluntary basis, in order to fulfil the Charity's objectives. The Foundation is grateful for the unstinting efforts of its volunteers.

Strategic report

Achievements and performance

a. Main achievements of the Charity

The Trustees have continued to provide substantial grants to individuals (to train agricultural students and to provide access to training for farmers, researchers and advisors to the agricultural industry). They have also been able to support a number of organisations to engage and conduct agricultural research, and for the purposes to plan and carry out experiments and field trials for the investigation and solution of farming problems and for the adaption of the results of scientific research generally to the needs and practise of agriculture.

The Trustees have purchased further land at Wymondham Road which will generate further funds for the charitable purposes in the future.

b. Review of activities

The Foundation's policy contributes to the funding of independent research and education in all aspects of farming and husbandry, preferably within East Anglia.
To that end:

- a) Funding for the two proposals from NIAB, one for five years and one for three years.
- b) The Foundation continues to make funds available for relevant research by PhD students.
- c) Providing funding to Morley Farms Limited in support of the ancillary research and educational activities it conducts.

c. Fundraising activities and income generation

Neither the Charity, nor anyone acting on its behalf, undertakes conventional charitable fundraising activities.

THE MORLEY AGRICULTURAL FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Strategic report (continued)

Achievements and performance (continued)

d. Investment policy and performance

The Trustees continue to believe the current mix of property assets and investment portfolio provide the best long term strategy for the creation of income to support its grants programme. Together with portfolio managers, the Trustees review investment performance against objectives set.

Morley Farms Limited continues to pay a commercial rent to the Foundation.

The Foundation is in a consortium of landowners seeking a planning permission in order to sell a parcel of land in its ownership.

Financial review

a. 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.

b. Reserves policy

The Trustees regard the Charity's property & investment assets as permanent funds. The Trustees' policy is that these funds should be maintained in real terms, in order to generate income to finance current and future grant giving in accordance with the Foundation's objectives to:

Promote the study & knowledge of agricultural science & the application of modern scientific techniques to agriculture & husbandry in all their branches.

As part of these objectives, the Trustees remain committed to funding significant agricultural research projects. Funding commitments for such projects routinely extend to a period of between 3 - 5 years. The Trustees therefore take account of these longer term commitments when considering the level of reserves to be retained by the Foundation.

General funds of the Charity at 31 August 2023 amounted to £29,256,881 (2022: £29,965,309). In determining the level of resources, the board is mindful of the need to maintain a contingency fund in order to meet any unexpected repair costs in relation to the Charity's property assets. Similarly reserves are required to fund ongoing working capital requirements of Morley Farms Limited. After taking account of these issues and retaining a suitable level of funds to cover these aspects, the Trustees' policy is to use substantially all of the Charity's surplus investment income over a 3 to 5 year time frame in order to fund the Foundation's grant making activity over the same period.

At 31 August 2023 the group's free reserves amounted to £61,032 (2022: £938,133).

THE MORLEY AGRICULTURAL FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

c. Material investments policy

At each board meeting the Trustees receive a report from the portfolio manager (Barratt & Cooke) on the investment's performance over the last quarter. The portfolio manager attends the finance board meeting annually and is also available to provide advice to the Trustees when required. The Trustees look to maximise the return on the investment whilst avoiding any unnecessary risk based on the advice given.

d. Principal risks and uncertainties

Principal risks are 1) a collapse in our portfolio leading to a loss of dividend income, 2) a very poor farming year leading to no profit and an inability for Morley Farms Limited to pay rent to the Foundation.

e. Principal funding

The Foundations income for the reporting period ending 31 August 2023 comprised largely of rental and dividend income. This enabled the Foundation to meet its objectives set out above. In addition, the Foundations subsidiary trading company carries out commercial farming activities, historically with a view to profits generated being paid by gift aid to the Foundation.

f. Financial review

Income from the portfolio, rent from properties and farming profit from Morley Farms Limited enable the Foundation to maintain its grants' programme and cover its overheads.

The Foundation's net expenditure amounted to £406,141 (2022: £309,844 incoming resources) as shown in the Consolidated Statement of Financial Activities on page 15. This includes net profit from the subsidiary company of £138,507 (2022: £115,157) prior to the elimination of inter group transactions and gains on investments.

There was a net decrease in funds of £708,428 (2022: £35,831).

The Charity's investment portfolio decreased in value from £8,869,860 at the beginning of the year to £8,692,950 as at 31 August 2023. This is a reflection of the general market conditions.

In order to help the Trustees to consider funding projects beyond its current financial period, a budget process that extends four years beyond the current one is in operation.

Structure, governance and management

a. Constitution

The Morley Agricultural Foundation is registered as a Charitable Company limited by guarantee and was set up by a Memorandum of Association on 23 April 2003 and is a registered Charity number 1097174.

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

Structure, governance and management (continued)

b. Methods of appointment or election of Trustees

The Charity is controlled by its Trustees. Under the Charity's Articles of Association, the Trustees are elected at the AGM. At each AGM, one third of the elected Trustees will retire. If a vacancy is not filled, a retiring Trustee, if willing, is deemed to be re elected. All Trustees except an elected Trustee retiring by rotation, must be nominated in writing to the Chairman by at least three Members, two of which must already be Trustees. The Trustees may appoint a person who is willing to act to be an elected Trustee either to fill a vacancy or as an additional Trustee but he shall hold office only until the next AGM where he may be reappointed.

Members of the Council, who are Directors for the purpose of company law and Trustees for the purpose of charity law, who served during the year and up to the date of this report are set out on page 1.

Members of the Charity guarantee to contribute an amount not exceeding £1 to the assets of the Charity in the event of winding up. The total number of such guarantees at 31 August 2023 was 509 (2022: 509).

Annually, prior to the AGM, the Chairman writes to all Members seeking proposals to be considered at the AGM to fill any Trustee or Council vacancies.

The Trustees each contribute their professional expertise in different specific areas and as such no additional training is deemed necessary in those areas. However, the Trustees consider and attend any relevant training opportunities which enhance their knowledge of the generic role and responsibilities of a Trustee.

c. Organisational structure and decision-making policies

The day-to-day management of the Foundation has been delegated to the Company Secretary, M Canham, who is contracted by the Foundation on an annual basis. Decisions relating to the acquisition or disposal of assets are made by the Trustees at one of their regular meetings.

The Foundation's subsidiary trading company carries out commercial farming activities, historically with a view to profits generated being paid by gift aid to the Foundation. Morley Farms Limited continues to carry out and support various ancillary research and educational activities for the benefit of the Foundation. The farm management works closely with a regional agricultural educational organisation to develop training schemes for its students.

The capital base of Morley Farms will need to expand to finance these activities. This is likely to be through programme related loan funding from the Foundation but also from the retention of some future commercial farming profits. Where profits are retained in future this may give rise to a liability to corporation tax within Morley Farms Limited.

d. Pay policy for key management personnel

There are no such arrangements for setting pay and remuneration as key management consists of the Trustees, all of whom are unpaid.

e. Related party relationships

T S Evans is a Partner at Arnold Keys LLP, Chartered Surveyors.

THE MORLEY AGRICULTURAL FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Structure, governance and management (continued)

f. Financial risk management

The Trustees have assessed the major risks to which the Group and the Charity are exposed, in particular those related to the operations and finances of the Group and the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

The Trustees keep under review the major risks to which the Charity is exposed.

A management committee, under the chairmanship of a Foundation Trustee, has been established for Morley Farms Limited and meets regularly to review performance as well as communicating relevant matters to the Foundation Board. An independent consultant has been employed to assist the farm manager in preparing budgets and reviewing procedures and controls against industry benchmarks.

The major risks to the income of the Foundations are the level of the dividend stream from its portfolio currently managed by Barratt and Cooke, and the volatility of farm income.

Plans for future periods

The Morley Agricultural Foundation will continue to fund research conducted by NIAB, providing grants for the New Farming Systems programme (now in its 12th year) and for the Morley Long Term Trial Series (LoTS) programme which includes, a) continuing long term field experiments, b) collaborating with education providers, c) providing and evaluating new technologies with stakeholders and d) providing NIAB and TMAF research at events at Morley and elsewhere. We also continue to host NIAB trials with other funders and we have become a demonstration farm and trials site for The British Beet Research Organisation (BBRO).

A further portion of available funds will be used to support PhD students researching topics relevant to TMAF's aims; informing the public about the techniques and science used in modern agriculture; supporting the communication between young farmers and young scientists and providing bursaries to students who need monetary assistance with their courses.

A final portion will be devoted specifically to the study of soil. Funding is being provided for 1) a Harper Adams PhD examining controlled traffic farming and soil compaction issues and 2) a University of East Anglia project investigating the impacts of cover crops and reduced tillage regimes on water, soil and crop yields. BBRO has started research entitled "Interpreting and managing the spatial performance of crops". NIAB is also carrying out the Morley Soil and Agronomic Monitoring Study (SAMS). And finally a partnership has been struck up between Cambridge University, NIAB and The Morley Agricultural Foundation to fund a PhD student on a topic chosen by the Foundation (Morley PhD).

THE MORLEY AGRICULTURAL FOUNDATION
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TRUSTEES' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2023

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' Report including the Strategic Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Trustees are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and the Charity's transactions and disclose with reasonable accuracy at any time the financial position of the Group and the Charity and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and the Charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

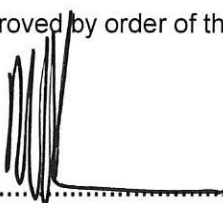
Each of the persons who are Trustees at the time when this Trustees' Report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Auditors

The auditors, MA Partners Audit LLP, have indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditors at a meeting of the Trustees.

Approved by order of the members of the board of Trustees on 8 February 2024 and signed on their behalf by:


.....
R Wilbourn

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MORLEY AGRICULTURAL
FOUNDATION**

Opinion

We have audited the financial statements of The Morley Agricultural Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 August 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 August 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.

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.

THE MORLEY AGRICULTURAL FOUNDATION
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MORLEY AGRICULTURAL
FOUNDATION (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 including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have 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 including the Strategic 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.

THE MORLEY AGRICULTURAL FOUNDATION
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MORLEY AGRICULTURAL
FOUNDATION (CONTINUED)**

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.

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:

The objectives of our audit in respect of fraud, are; to identify and assess the risks of material misstatement of the financial statements due to fraud; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud, through designing and implementing appropriate responses to those assessed risks; and to respond appropriately to instances of fraud or suspected fraud identified during the audit. However, the primary responsibility for the prevention and detection of fraud rests with both management and those charged with governance of the Charity.

THE MORLEY AGRICULTURAL FOUNDATION
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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE MORLEY AGRICULTURAL
FOUNDATION (CONTINUED)**

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the Charity and considered that the most significant are the Companies Act 2006, UK financial reporting standards as issued by the Financial Reporting Council, and UK taxation legislation.
- We obtained an understanding of how the Charity complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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

Use of our report

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



Alistair Fish FCA (Senior Statutory Auditor)

for and on behalf of

MA Partners Audit LLP

Chartered Accountants and Statutory Auditors

7 The Close

Norwich

Norfolk

NR1 4DJ

4 March 2024

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

	Note	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:				
Other trading activities	4	1,121,656	1,121,656	1,100,286
Investments	5	421,367	421,367	428,347
Other income	6	1,403	1,403	1,586
Total income		1,544,426	1,544,426	1,530,219
Expenditure on:				
Raising funds		889,282	889,282	863,649
Charitable activities	9	1,061,285	1,061,285	356,726
Total expenditure		1,950,567	1,950,567	1,220,375
Net (expenditure)/income before net losses on investments		(406,141)	(406,141)	309,844
Net losses on investments		(302,287)	(302,287)	(345,675)
Net movement in funds		(708,428)	(708,428)	(35,831)
Reconciliation of funds:				
Total funds brought forward		29,965,309	29,965,309	30,001,140
Net movement in funds		(708,428)	(708,428)	(35,831)
Total funds carried forward		29,256,881	29,256,881	29,965,309

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

The notes on pages 20 to 41 form part of these financial statements.

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 04712419

CONSOLIDATED BALANCE SHEET
AS AT 31 AUGUST 2023

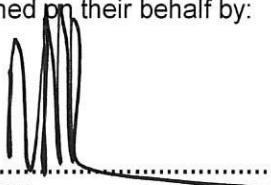
	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	735,951	825,566
Investments	16	8,692,950	8,869,860
Investment property	15	19,766,948	19,331,750
		<u>29,195,849</u>	<u>29,027,176</u>
Current assets			
Stocks	17	456,310	397,462
Debtors	18	227,698	239,062
Cash at bank and in hand		1,177,190	1,634,213
		<u>1,861,198</u>	<u>2,270,737</u>
Creditors: amounts falling due within one year	19	(887,387)	(705,507)
Net current assets		<u>973,811</u>	<u>1,565,230</u>
Total assets less current liabilities		<u>30,169,660</u>	<u>30,592,406</u>
Creditors: amounts falling due after more than one year	20	(912,779)	(627,097)
Total net assets		<u><u>29,256,881</u></u>	<u><u>29,965,309</u></u>
Charity funds			
Restricted funds	22	-	-
Unrestricted funds	22	29,256,881	29,965,309
Total funds		<u><u>29,256,881</u></u>	<u><u>29,965,309</u></u>

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 04712419

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

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 were approved and authorised for issue by the Trustees on 08 February 2024 and signed on their behalf by:



.....
R Wilbourn

The notes on pages 20 to 41 form part of these financial statements.

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 04712419

CHARITY BALANCE SHEET
AS AT 31 AUGUST 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	14	17,541	19,757
Investments	16	9,080,287	9,257,197
Investment property	15	19,766,948	19,331,750
		<u>28,864,776</u>	<u>28,608,704</u>
Current assets			
Debtors	18	53,240	278,482
Cash at bank and in hand		1,025,612	1,319,133
		<u>1,078,852</u>	<u>1,597,615</u>
Creditors: amounts falling due within one year	19	(777,865)	(541,604)
Net current assets		<u>300,987</u>	<u>1,056,011</u>
Total assets less current liabilities		<u>29,165,763</u>	<u>29,664,715</u>
Creditors: amounts falling due after more than one year	20	(912,779)	(569,539)
Total net assets		<u><u>28,252,984</u></u>	<u><u>29,095,176</u></u>
Charity funds			
Restricted funds	22	-	-
Unrestricted funds	22	28,252,984	29,095,176
Total funds		<u><u>28,252,984</u></u>	<u><u>29,095,176</u></u>

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)
REGISTERED NUMBER: 04712419

CHARITY BALANCE SHEET (CONTINUED)
AS AT 31 AUGUST 2023

The Charity's net movement in funds for the year was £(842,192) (2022 - £(150,985)).

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 were approved and authorised for issue by the Trustees on 08 February 2024 and signed on their behalf by:



.....
R Wilbourn

The notes on pages 20 to 41 form part of these financial statements.

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

	2023 £	2022 £
Cash flows from operating activities		
Net cash used in operating activities	176,577	407,195
Cash flows from investing activities		
Dividends, interests and rents from investments	6,479	630
Proceeds from the sale of tangible fixed assets	6,150	31,950
Purchase of tangible fixed assets	(51,888)	(130,723)
Proceeds from sale of investments	1,325,028	2,095,603
Purchase of investments	(1,430,086)	(2,025,498)
Purchase of investment property	(435,198)	-
Net cash used in investing activities	(579,515)	(28,038)
Cash flows from financing activities		
Repayments of finance leases	(57,558)	(89,437)
Net cash used in financing activities	(57,558)	(89,437)
Change in cash and cash equivalents in the year	(460,496)	289,720
Cash and cash equivalents at the beginning of the year	1,634,214	1,344,494
Cash and cash equivalents at the end of the year	1,173,718	1,634,214

The notes on pages 20 to 41 form part of these financial statements

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

1. General information

The Morley Agricultural Foundation is a private charitable company limited by guarantee and incorporated in England and Wales, registration number 04712419. The registered office is Morley Business Centre, Deopham Road, Morley St Botolph, Norfolk, NR18 9DF.

The Members of the Charity are the Trustees named on page 1. In the event of The Morley Agricultural Foundation being wound up, the liability in respect of the guarantee is limited to £1 per Member of The Morley Agricultural Foundation.

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 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

The Morley Agricultural Foundation 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 Consolidated Statement of Financial Activities (SOFA) and Consolidated Balance Sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

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

2.2 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

2.3 Expenditure

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 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.

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.3 Expenditure (continued)

Costs of generating funds are costs incurred in attracting voluntary income, and those incurred in trading activities that raise funds.

Charitable activities and Governance costs are costs incurred on the company's educational operations, including support costs and costs relating to the governance of the company apportioned to charitable activities.

2.4 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.

2.5 Tangible fixed assets and depreciation

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.

Assets in the course of construction are included at costs incurred to date. Depreciation on these assets is not charged until they are brought into use.

At each reporting date the Charity assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined to be the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	-
Plant and machinery	- 10% straight line
Motor vehicles	- 10% or 20% straight line
Fixtures and fittings	- 15% reducing balance or 20% straight line
Office equipment	- 20% straight line

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance Sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated Statement of Financial Activities.

Investments in subsidiaries are valued at cost less provision for impairment.

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.7 Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 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.

2.9 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.

2.10 Liabilities and provisions

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 or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated Statement of Financial Activities as a finance cost.

2.11 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.12 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated Statement of Financial Activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

2. Accounting policies (continued)

2.13 Pensions

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

2.14 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.

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.

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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.

The annual depreciation for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the asset.

Investment property valuations have been based upon professional valuations and Trustees' assessment of recent market trends.

Fixed asset investment valuations are based on the stock market rates as at the year end. These rates are subject to constant fluctuation, based on a number of factors.

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

4. Income from other trading activities

Income from fundraising events

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Farming income	1,121,656	1,121,656	1,100,286
<i>Total 2022</i>	<u>1,100,286</u>	<u>1,100,286</u>	

5. Investment income

	Unrestricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Rent received	146,294	146,294	142,542
Investment income	265,121	265,121	285,175
Interest receivable	6,475	6,475	495
Bank interest and other interest receivable	3,477	3,477	135
Total 2023	<u>421,367</u>	<u>421,367</u>	<u>428,347</u>
<i>Total 2022</i>	<u>428,347</u>	<u>428,347</u>	

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

6. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Other incoming resources	1,403	1,403	1,586
<i>Total 2022</i>	1,586	1,586	

7. Investment management costs

	Unrestricted funds 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Investment property - maintenance	55,967	55,967	18,095
Investment property - professional fees	2,836	2,836	16,779
Investment property - rates	1,169	1,169	630
Investment management fees	612	612	520
Investment property - light and heat	(1,613)	(1,613)	5,103
<i>Total 2022</i>	41,127	41,127	

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

8. Analysis of arable research projects - other grants

	Grants to individuals 2023	Grants to Institutions 2023	Total funds 2023	<i>Total funds 2022</i>
Agri Food Charity Partnership CTP	-	12,000	12,000	-
BBRO Integrating the use of endophyte grasses with sugar beet for virus yellows and aphid management	-	28,000	28,000	-
Morley PhD	15,227	-	15,227	35,332
C Mumford Msc	531	-	531	1,322
ADAS YEN ZERO	-	-	-	5,000
University of Lincoln	-	6,485	6,485	-
Suffolk Agricultural Association Schools Farm & Country Fair	-	4,800	4,800	3,000
John Forrest Award Communication Course	-	6,000	6,000	(408)
John Edgar Trust Management Course	-	13,000	13,000	(2,843)
NIAB Morley SAMS Phase 2	-	273,616	273,616	-
Agri-TechE Early Careers Innovators' Forum	-	66,000	66,000	-
Harper Adams University	-	-	-	45,000
D Purdy PhD	-	-	-	5,077
The Aylsham Show Food, Farming and the Countryside Discovery Area	-	9,050	9,050	5,000
RNAA Food & Farming Discovery Trust	-	20,000	20,000	20,000
BBRO Optimising sugar beet management practices to reduce greenhouse gas emissions	-	3,504	3,504	197,849
NIAB INSPIRE	-	-	-	(20,814)
Essex Food and Farmer Schools Day	-	3,000	3,000	-
Cranfield University	-	15,000	15,000	-
NIAB Morley New Farming Systems soil amendment & cover crop rotations	-	161,810	161,810	-
NIAB Co-development of new wheat varieties and regenerative agriculture	-	293,289	293,289	-
Rothamsted Research	-	61,760	61,760	-
Other grants and bursaries	1,575	4,250	5,825	3,635
Movement in the discounting of grants	-	(40,782)	(40,782)	8,926
	<u>17,333</u>	<u>940,782</u>	<u>958,115</u>	<u>306,076</u>

The recognition of these amounts reflects the unconditional obligation by The Morley Agricultural Foundation for this funding and is in accordance with the treatment required by the Statement of Recommended Practice (FRS 102).

Expenditure on charitable activities was £1,133,748 (2022: £422,510), all of which was unrestricted.

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

9. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £	Total 2023 £	<i>Total 2022 £</i>
Grants payable - Arable research projects	958,115	958,115	306,076
Morley Business Centre	103,170	103,170	50,650
Total 2023	<u>1,061,285</u>	<u>1,061,285</u>	<u>356,726</u>
<i>Total 2022</i>	<u>356,726</u>	<u>356,726</u>	

10. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £	<i>Total funds 2022 £</i>
Grants payable - Arable research projects	958,115	-	958,115	306,076
Morley Business Centre	22,498	80,672	103,170	50,650
Total 2023	<u>980,613</u>	<u>80,672</u>	<u>1,061,285</u>	<u>356,726</u>
<i>Total 2022</i>	<u>317,993</u>	<u>38,733</u>	<u>356,726</u>	

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

10. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Grants payable 2023 £	Morley Business Centre 2023 £	Total funds 2023 £	Total funds 2022 £
Grants payable	958,115	-	958,115	306,076
Office expenses	-	10,360	10,360	6,568
Depreciation	-	2,217	2,217	881
Open day expenses	-	4,437	4,437	(843)
Insurance	-	4,192	4,192	5,183
Travel	-	1,292	1,292	128
Total 2023	958,115	22,498	980,613	317,993
<i>Total 2022</i>	<i>306,076</i>	<i>11,916</i>	<i>317,993</i>	

Analysis of support costs

	Morley Business Centre 2023 £	Total funds 2023 £	Total funds 2022 £
Partial exemption adjustment	39,069	39,069	4,457
Staff costs	18,236	18,236	17,809
Software maintenance	8,756	8,756	841
Accountancy	6,615	6,615	6,650
Subscriptions	4,434	4,434	6,249
Sundry expenses	2,308	2,308	1,304
Legal fees	177	177	573
Bank charges	665	665	653
Training	412	412	197
	80,672	80,672	38,733
<i>Total 2022</i>	<i>38,733</i>	<i>38,733</i>	

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

11. Auditors' remuneration

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	7,300	7,000

12. Staff costs

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Wages and salaries	154,573	146,218	16,555	16,144
Social security costs	10,876	9,312	1,680	1,665
Contribution to defined contribution pension schemes	6,599	6,236	-	-
	172,048	161,766	18,235	17,809

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

	Group 2023 No.	<i>Group 2022 No.</i>	Charity 2023 No.	<i>Charity 2022 No.</i>
Employees	4	4	4	4

No employee received remuneration amounting to more than £60,000 in either year.

The Charity's key management personnel are the Trustees, all of whom are unpaid. Key management compensation is therefore £Nil (2022: £Nil).

13. Trustees' remuneration and expenses

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

During the year ended 31 August 2023, expenses totalling £404 were reimbursed or paid directly to 1 Trustee (2022 - £Nil).

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

14. Tangible fixed assets

Group

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Office equipment £	Total £
Cost or valuation					
At 1 September 2022	609,420	969,154	17,331	10,283	1,606,188
Additions	50,506	-	-	1,382	51,888
Disposals	(6,750)	-	-	(1,250)	(8,000)
At 31 August 2023	653,176	969,154	17,331	10,415	1,650,076
Depreciation					
At 1 September 2022	399,729	356,006	14,604	10,283	780,622
Charge for the year	40,185	100,818	484	16	141,503
On disposals	(6,750)	-	-	(1,250)	(8,000)
At 31 August 2023	433,164	456,824	15,088	9,049	914,125
Net book value					
At 31 August 2023	220,012	512,330	2,243	1,366	735,951
At 31 August 2022	209,691	613,148	2,727	-	825,566

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

14. Tangible fixed assets (continued)

Charity

	Plant and machinery £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 September 2022	17,319	17,331	34,650
At 31 August 2023	17,319	17,331	34,650
Depreciation			
At 1 September 2022	289	14,604	14,893
Charge for the year	1,732	484	2,216
At 31 August 2023	2,021	15,088	17,109
Net book value			
At 31 August 2023	15,298	2,243	17,541
At 31 August 2022	17,030	2,727	19,757

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

15. Investment property

Group

**Freehold
investment
property
£**

Valuation

At 1 September 2022

19,331,750

Additions

435,198

At 31 August 2023

19,766,948

Charity

**Freehold
investment
property
£**

Valuation

At 1 September 2022

19,331,750

Additions

435,198

At 31 August 2023

19,766,948

The investment properties were valued in 2020 by T W Corfield and T S Evans, RICS registered valuers from Arnolds Keys LLP. The valuations were performed on an open market value basis.

The Directors with reference to the professional valuation undertaken by T W Corfield and T S Evans from Arnold Keys LLP in 2020 have determined that valuation as at 31 August 2023 to remain appropriate.

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

16. Fixed asset investments

Group	Listed investments £	Unlisted investments £	Total £
Cost or valuation			
At 1 September 2022	8,869,810	50	8,869,860
Additions	1,430,086	-	1,430,086
Disposals	(1,325,028)	-	(1,325,028)
Revaluations	(281,968)	-	(281,968)
At 31 August 2023	<u>8,692,900</u>	<u>50</u>	<u>8,692,950</u>
Net book value			
At 31 August 2023	<u>8,692,900</u>	<u>50</u>	<u>8,692,950</u>
At 31 August 2022	<u>8,869,810</u>	<u>50</u>	<u>8,869,860</u>
Charity			
	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 September 2022	387,387	8,869,810	9,257,197
Additions	-	1,430,086	1,430,086
Disposals	-	(1,325,028)	(1,325,028)
Revaluations	-	(281,968)	(281,968)
At 31 August 2023	<u>387,387</u>	<u>8,692,900</u>	<u>9,080,287</u>
Net book value			
At 31 August 2023	<u>387,387</u>	<u>8,692,900</u>	<u>9,080,287</u>
At 31 August 2022	<u>387,387</u>	<u>8,869,810</u>	<u>9,257,197</u>

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

16. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Registered office or principal place of business	Principal activity	Holding
Morley Farms Limited	04873909	Morley Business Centre, Deopham Road, Morley St Botolph, Wymondham, NR18 9DF	Arable farming	100%

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the year £	Net assets £
Morley Farms Limited	1,206,583	(1,068,076)	138,507	1,391,289

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

17. Stocks

	Group 2023 £	<i>Group 2022 £</i>
Crops in store	236,423	213,158
Growing crops	166,967	121,956
Consumables	52,920	62,348
	456,310	397,462

18. Debtors

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Due within one year				
Trade debtors	61,299	36,016	27,304	2,913
Amounts owed by group undertakings	-	-	-	224,976
Other debtors	31,193	23,355	-	13,046
Prepayments and accrued income	135,206	179,691	25,936	37,547
	227,698	239,062	53,240	278,482

19. Creditors: Amounts falling due within one year

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Trade creditors	79,082	123,169	41,574	56,660
Amounts owed to group undertakings	-	-	15,712	-
Other taxation and social security	25,476	-	25,476	-
Obligations under finance lease and hire purchase contracts	57,558	57,558	-	-
Other creditors	674,115	468,644	674,115	468,644
Accruals and deferred income	51,156	56,136	20,988	16,300
	887,387	705,507	777,865	541,604

THE MORLEY AGRICULTURAL FOUNDATION
(A Company Limited by Guarantee)

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

20. Creditors: Amounts falling due after more than one year

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Net obligations under finance lease and hire purchase contracts	-	57,558	-	-
Other creditors	912,779	569,539	912,779	569,539
	<u>912,779</u>	<u>627,097</u>	<u>912,779</u>	<u>569,539</u>

21. Financial instruments

	Group 2023 £	<i>Group 2022 £</i>	Charity 2023 £	<i>Charity 2022 £</i>
Financial assets				
Financial assets measured at fair value through income and expenditure	1,177,190	1,634,263	1,025,612	1,319,133
	<u>1,177,190</u>	<u>1,634,263</u>	<u>1,025,612</u>	<u>1,319,133</u>

Financial assets measured at fair value through income and expenditure comprise listed investments valued at the stock market price at year end.

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**NOTES TO THE FINANCIAL STATEMENTS
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22. Statement of funds

Statement of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2023 £
Unrestricted funds					
General Funds	15,314,065	1,162,349	(1,706,995)	201,487	14,970,906
Funds retained in subsidiary	3,445,261	382,077	(243,572)	-	3,583,766
Revaluation reserve	11,205,983	-	-	(503,774)	10,702,209
	<u>29,965,309</u>	<u>1,544,426</u>	<u>(1,950,567)</u>	<u>(302,287)</u>	<u>29,256,881</u>

Statement of funds - prior year

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
Unrestricted funds						
General Funds	15,573,414	616,839	(422,152)	(614,157)	160,121	15,314,065
Funds retained in subsidiary	3,330,104	913,380	(798,223)	-	-	3,445,261
Revaluation reserve	11,097,622	-	-	614,157	(505,796)	11,205,983
	<u>30,001,140</u>	<u>1,530,219</u>	<u>(1,220,375)</u>	<u>-</u>	<u>(345,675)</u>	<u>29,965,309</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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23. Summary of funds

Summary of funds - current year

	Balance at 1 September 2022 £	Income £	Expenditure £	Gains/ (Losses) £	Balance at 31 August 2023 £
General funds	29,965,309	1,544,426	(1,950,567)	(302,287)	29,256,881

Summary of funds - prior year

	Balance at 1 September 2021 £	Income £	Expenditure £	Transfers in/out £	Gains/ (Losses) £	Balance at 31 August 2022 £
General funds	30,001,140	1,530,219	(1,220,375)	-	(345,675)	29,965,309

24. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	735,951	735,951
Fixed asset investments	8,692,950	8,692,950
Investment property	19,766,948	19,766,948
Current assets	1,861,198	1,861,198
Creditors due within one year	(887,387)	(887,387)
Creditors due in more than one year	(912,779)	(912,779)
Total	29,256,881	29,256,881

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24. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £</i>	<i>Total funds 2022 £</i>
Tangible fixed assets	825,566	825,566
Fixed asset investments	8,869,860	8,869,860
Investment property	19,331,750	19,331,750
Current assets	2,270,737	2,270,737
Creditors due within one year	(705,507)	(705,507)
Creditors due in more than one year	(627,097)	(627,097)
Total	<u>29,965,309</u>	<u>29,965,309</u>

25. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	<i>Group 2022 £</i>
Net expenditure for the year (as per Statement of Financial Activities)	<u>(708,428)</u>	<u>(35,831)</u>
Adjustments for:		
Depreciation charges	141,503	132,513
Gains on investments	281,968	372,779
Dividends, interests and rents from investments	(9,952)	(630)
Profit on the sale of fixed assets	(6,150)	(14,300)
Increase in stocks	(58,848)	(75,889)
Decrease in debtors	11,364	51,752
Increase/(decrease) in creditors	525,120	(23,199)
Net cash provided by operating activities	<u>176,577</u>	<u>407,195</u>

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**NOTES TO THE FINANCIAL STATEMENTS
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26. Analysis of cash and cash equivalents

	Group 2023 £	<i>Group 2022 £</i>
Cash in hand	1,043,585	1,374,620
Cash held by investment broker	130,133	259,594
Total cash and cash equivalents	<u>1,173,718</u>	<u>1,634,214</u>

27. Analysis of changes in net debt

	At 1 September 2022 £	Cash flows £	At 31 August 2023 £
Cash at bank and in hand	1,634,213	(457,023)	1,177,190
Finance leases	(115,116)	57,558	(57,558)
	<u>1,519,097</u>	<u>(399,465)</u>	<u>1,119,632</u>

28. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to **£Nil** (2022 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

29. Operating lease commitments

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

	Group 2023 £	<i>Group 2022 £</i>
Not later than 1 year	<u>64</u>	<u>231</u>

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NOTES TO THE FINANCIAL STATEMENTS
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30. Related party transactions

During the year ended 31 August 2023, rent was charged to Morley Farms Limited (a wholly owned subsidiary) of **£239,000** (2022: £239,000) and a grant was paid to the company of **£30,000** (2022: £27,500). At 31 August 2023 there was a loan due to Morley Farms Limited of **£15,712** (2022: £224,976 due from), which is repayable on demand. Interest of **£Nil** (2022: £3,039) was chargeable on this loan.

The following Directors were Trustees of a charity with which the Group had transactions in the year:

PE Richardson is a Director of Agrifood Charities Partnership. At the year end the grant payment outstanding to Agrifood Charities Partnership amounted to **£9,000** (2022: £1,500). During the year subscription fees and other purchases paid to Agrifood Charities Partnership were **£12,300** (2022: £300).

TS Evans is a Partner at Arnolds Keys LLP, Chartered Surveyors. During the year, professional fees payable to Arnolds Keys LLP by The Morley Agricultural Foundation were **£2,255** (2022: £Nil). **£1,515** remained payable at the year end (2022: £Nil).

During the year, no Directors received any remuneration or other benefits (2022: £Nil). Expenses of **£404** were reimbursed to 1 Director during the year (2022: £Nil).

31. Controlling party

The company is controlled by the Trustees listed on page 1.