

NATIONAL INSTITUTE OF AGRICULTURAL BOTANY TRUST

England & Wales · Charity number 1144528

Details

Status Registered

Legal form Charitable company

Company number [07823588](#)

Registered 2011-11-03

Register [View on the Charity Commission register](#)

Contact

Address 93 Lawrence Weaver Road
Cambridge
CB3 0LE

Phone 01223342304

Email trust@niab.com

Website www.niab.com

Activities

Objects: THE CHARITY IS ESTABLISHED TO:4.1 PROMOTE AGRICULTURE, HORTICULTURE AND ARBORICULTURE ANYWHERE IN THE WORLD BY SUCH CHARITABLE MEANS AS THE TRUSTEES SHALL DETERMINE AND IN PARTICULAR (BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING):4.1.1 THE IMPROVEMENT OF CROPS BY MEANS OF THE TESTING OF VARIETIES, PLANTS AND SEEDS THROUGH RESEARCH AND THE DISSEMINATION OF THE USEFUL RESULTS OF ANY SUCH RESEARCH;4.1.2 THE CARRYING OUT OF TRIALS FOR THE IDENTIFICATION AND CLASSIFICATION OF PLANT VARIETIES AND ASSESSMENT OF THEIR PERFORMANCE, THE MULTIPLICATION OF STOCKS OF SEED AND THE MAINTENANCE OF REFERENCE COLLECTIONS;4.1.3 THE TESTING OF SEEDS, PLANTS AND PLANT DERIVED OR RELATED MATERIALS;4.1.4 RESEARCH INTO AND TESTING OF SEEDS AND THE AUTHENTICATION AND CERTIFICATION OF REPRODUCTIVE MATERIAL AND PLANT VARIETIES;4.1.5 THE DISCOVERY AND ASSESSMENT OF THE VALUE OF METHODS OF TREATMENT, PROCESSES AND DESIGNS RELATING TO SEEDS, PLANTS AND CROPS AND OF BENEFIT TO AGRICULTURE, HORTICULTURE, ARBORICULTURE THE SEED INDUSTRY OR ANY RELATED TRADE OR INDUSTRY;4.2 SUPPORT THE NATIONAL INSTITUTE OF AGRICULTURAL BOTANY (THE INSTITUTE: REGISTERED CHARITY NO 1064230) IN THE PURSUIT OF ITS OBJECTS INCLUDING IN PARTICULAR (BUT WITHOUT PREJUDICE TO THE GENERALITY OF THE FOREGOING) THE PROVISION OF LAND, FACILITIES AND FINANCIAL SUPPORT TO THE INSTITUTE UPON SUCH TERMS AS THE TRUSTEES SHALL DETERMINE TO ENABLE IT TO PURSUE ITS OBJECTS; AND4.3 PROMOTE ANY OTHER CHARITABLE PURPOSE FOR THE BENEFIT OF THE COMMUNITY.

Activities: Our mission is to provide independent science-based research & information. We support NIAB (Charity No:1064230) through the provision of facilities & funding to support the provision of information & advice to farmers, growers & educators; A programme of public good plant breeding; crop variety performance trials & laboratory testing; education & training.

Classification

- **How:** Provides Buildings/facilities/open Space, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage, Economic/community Development/employment
- **Who:** Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- Throughout England And Wales

Finances

| Period end | Income | Expenditure | Assets | Employees |
|------------|------------|-------------|-------------|-----------|
| 2024-03-29 | £1,534,000 | £2,983,000 | £48,099,000 | 0 |
| 2023-03-29 | £1,169,000 | £2,739,000 | £53,970,000 | 0 |
| 2022-03-29 | £1,832,433 | £5,277,408 | £55,699,000 | 0 |
| 2021-03-29 | £4,108,000 | £3,025,000 | £57,624,000 | 0 |
| 2020-03-29 | £2,876,000 | £5,503,000 | £54,258,000 | 0 |

Trustees

| Name | Role | Appointed |
|------------------------|------|------------|
| James Eric Godfrey OBE | | 2022-11-16 |
| John Andrew Elliot | | 2018-12-04 |
| John Robert Latham | | 2024-01-09 |
| PHILIP GRAHAM WYNN | | 2024-01-09 |
| Richard Auld MacDonald | | 2020-12-08 |

NATIONAL INSTITUTE OF AGRICULTURAL BOTANY TRUST

England & Wales - Charity number 1144528

Accounts

Registered number: 7823588
Charity number: 1144528

National Institute of Agricultural Botany Trust

Trustees' Report and Financial Statements

For the Year Ended 31 March 2024

National Institute of Agricultural Botany Trust

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National Institute of Agricultural Botany Trust

**Reference and Administrative Details of the Charity, its Trustees and Advisers
For the Year Ended 31 March 2024**

| | |
|----------------------------------|---|
| Trustees | J A Elliot, Chairman Dr C W Looker R A Macdonald J E Godfrey J R Latham (appointed 9 January 2024) P G Wynn (appointed 9 January 2024) R Pemberton (resigned 4 December 2023) |
| Company registered number | 7823588 |
| Charity registered number | 1144528 |
| Registered office | 93 Lawrence Weaver Road Cambridge CB3 0LE |
| Company secretary | M Spraggins |
| Independent auditors | Moore Kingston Smith LLP Statutory Auditors 9 Appold Street London EC1M 7AD |
| Bankers | Barclays Bank plc 1 Churchill Place Canary Wharf London E14 5HP |
| Solicitors | Birketts LLP 22 Station Road Cambridge CB1 2JD Ashtons Legal LLP Chequers House 77-81 Newmarket Road Cambridge CB5 8EU |

National Institute of Agricultural Botany Trust

Reference and Administrative Details of the Charity, its Trustees and Advisers (continued)
For the Year Ended 31 March 2024

Property Advice

Bidwells
Trumpington Road
Cambridge
CB2 2LD

St Andrews Bureau
18 Mill Road
Cambridge
CB1 2AD

Frazer Halls
A3, East Gores Farm
Salmons Lane
Coggeshall
CO6 1RZ

Ceres Property
Council Offices
London Road
Saffron Walden
CB11 4ER

Sarasin & Partners
Juxon House
100 St Paul's Churchyard
London
EC4M 8BU

TRUSTEES' REPORT INCORPORATING THE STRATEGIC REPORT

STRATEGIC REPORT

Background

The National Institute of Agricultural Botany (NIAB) was founded by Deed of Trust in 1919. It was regulated by a scheme made by the Secretary of State for Education and Science until 1998, when a new structure was agreed which saw the formation of two charities which would operate in tandem. The National Institute of Agricultural Botany Trust (The Trust) provides land, facilities and financial support to NIAB, which The Trust determine is the preferred vehicle to deliver its charitable objectives. The activities of the unincorporated trust were transferred to a new charitable company of the same name in 2012.

Mission and Vision

The specific objects of The Trust are the promotion of agriculture, horticulture and arboriculture anywhere in the world by charitable means, including the provision of support to NIAB. (Charity No. 1064230).

NIAB's mission is to pioneer crop science for the benefit of society. NIAB's vision to be the UK Centre for crop innovation to contribute to the development of a thriving world powered by crop science.

Strategy

The strategy of The Trust is to support NIAB through the provision of land, facilities and finance for investment in scientific research. The current focus is on continued improvement to the NIAB Park Farm site to enable consolidation of all Cambridge based operations.

The Trust has provided annual financial support to NIAB, both in the terms of an annual grant to support research and in the provision of a rolling working capital facility.

Public Benefit

The Trust provides facilities, research funding and other support to NIAB, which has underpinned the provision of independent science-based research and information to agriculture. The Trust seeks to:

- advance science for public benefit, primarily through the support of crop research and development, publishing scientific papers and delivering practical solutions, working with a network of scientific partnerships and collaborations with leading academic, research and commercial organisations in the UK, Europe and the rest of the world;
- demonstrate how plant resources and crop genetic improvement can help address the major global challenges of sustainable use of resources, climate change, food security and the provision of high-quality food to enhance health and nutrition;
- promote agriculture, horticulture and arboriculture anywhere in the world

The Trustees are satisfied they have complied with their duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. Based on this guidance, and as described in this Trustees' report, the Trustees believe the activities of The Trust to be charitable in nature.

Performance

Our performance against our 2023/24 objectives is highlighted in the table below:

| Objectives | Performance |
|---|---|
| Secure a beneficial value for the next phase of the Darwin Green Land | The Trust continues to work closely with a consortium of Cambridge landowners and a national house builder to secure detailed planning permission for the future phases of the Darwin Green development in Cambridge. Outline permission was granted in September 2024 |
| Identify further land development opportunities | The Trust have identified possible future development sites within the land holding and is assessing planning consent feasibility for these |
| Maximise the value of the current property portfolio | NIAB is now relocating all of its operations to the Park Farm site in Cambridge. Consequently, the Trust has negotiated leases with third parties for part of the Lawrence Weaver Road site previously used by NIAB. |
| Provision of facilities, research funding and covenant support to NIAB. | <p>The Trust continues to support NIAB in the provision of facilities and research funding. The site development activities have provided new and replacement facilities which will underpin the delivery of charitable activities for the foreseeable future.</p> <p>The Trust is providing covenant support in respect of the NIAB Pension Scheme deficit as it is a participating employer in the scheme and therefore stands beside NIAB.</p> |

Objectives for 2024/25

The Trust will address the following objectives in the forthcoming year:

- Secure a beneficial value for the next phase of the Darwin Green Land
- Identify further land development opportunities
- Maximise the value of the current property portfolio
- Provision of facilities, research funding and covenant support to NIAB.

FINANCIAL REVIEW

Income

The total incoming resources for the year were £1,534k (2023: £1,169k). Income is derived from charges for the use of The Trust's charitable assets, as well as investment income and other activities. Other funding sources include realised proceeds from sale of surplus assets from property developers.

Expenditure

The total outgoing expenditure totalled £2,983k (2023: £2,739k) made up as follows:

| | <u>2024</u> | <u>2023</u> |
|---|---------------------|---------------------|
| | <u>£'000</u> | <u>£'000</u> |
| Research funding to NIAB | 1,000 | 1,000 |
| Support to NIAB in respect of the Pension Scheme ** | 341 | - |
| Donation to NIAB for new accounting system | - | 50 |
| Administrative costs | 125 | 125 |
| Bank and other interest | - | 70 |
| Professional fees | 197 | 149 |
| Other | 132 | 155 |
| Depreciation | <u>1,188</u> | <u>1,190</u> |
| Total | <u>2,983</u> | <u>2,739</u> |

** A payment of £683k was made during the year out of the accrual made in 2022.

Capital Expenditure

The charity funded the capital purchases from unrestricted reserves. Capital additions for the year total £156k (2023: £49k). Capital expenditure in the year related to landlord funded improvements to NIAB facilities.

Property assets

The Trust owns the freehold properties at NIAB's Lawrence Weaver Road, Cambridge and Park Farm, Histon sites. Following a review of its operations NIAB, will have relocated all of its Cambridge based staff to the Park Farm site by December 2024. The Trust has now entered leases with third parties for all of the space previously used by NIAB at Lawrence Weaver Road. The space will be refurbished into fully fitted laboratories catering to Cambridge's start-up community.

Business Review and key performance indicators

The following financial indicators have been reviewed:

| | <u>2024</u> | <u>2023</u> |
|-------------------------|--------------|--------------|
| | <u>£'000</u> | <u>£'000</u> |
| Charitable expenditure | 2,983 | 2,739 |
| Income from investments | 706 | 427 |
| Support costs | 168 | 166 |

The Charitable Expenditure is a measure of the facilities and core funding provided to NIAB. The Trustees have considered how they can best demonstrate the impact of this funding and how it can be measured.

Investment Policy

Land

Surplus land assets, which together with other parties' surplus land, are subject to a Consortium Promotion Agreement and will be disposed of in due course. The Trustees will seek to obtain the maximum sale proceeds available.

Redundancy Fund

Capital sums are held separately in respect of the NIAB Redundancy Fund. This fund was established to provide for the redundancy costs associated with staff in post as of 31 March 1996. Interest on capital is refunded to Defra, together with repayment of capital when staff leave NIAB through retirement/resignation. Sums relating to this fund are disclosed in note 19. The capital sum relating to the 1996 provision at 31 March 2024 was £567k (2023: £576k).

Going Concern

The Trust delivers its charitable objects primarily through its support for NIAB (Charity No: 1064230). The two charities were formed in 1998, following the separation of the National Institute of Agricultural Botany from government in 1996. The Trust holds the charitable assets from the original charitable scheme, and the operational activities were transferred to NIAB. The two charities have continued to work closely and the Trustees continue to believe that NIAB is the best vehicle to deliver the charitable objects of The Trust.

The Trust is a participating employer in the NIAB (1996) Pension Scheme (the 'Scheme') with NIAB. This means that the entire deficit liability of the pension scheme could fall to The Trust, and the assets of The Trust support NIAB's balance sheet in providing the employer covenant, and the recovery payments agreed under the recovery plan.

Going Concern (continued)

The Trustees have reviewed the cash flow supporting its own activities for future years. They have also considered the NIAB management projections and cash flow projections to ensure there is sufficient resources within The Trust to be able to fully support its own and NIAB's activities and financial position for the foreseeable future, being at least twelve months from the date of approval of these financial statements.

The Trust's NET current liabilities at 31 March 2024 were £1,055k (2023: £301k).

The Trust has historically held a loan facility with the Trust's bankers, Barclays Bank PLC. The bank have indicated a willingness to renew facilities although the Trust does not currently require this. In addition, further funds would become available, if needed, on the sale of the residential properties.

The Trust has considered the financial position of NIAB and its subsidiaries (together "NIAB Group") and the funding required to support them in the future. The NIAB Group financial position suggests that over the medium term (to 31 March 2026) it is possible that in order to ensure they remain viable The Trust may need to provide short term lending of up to £2m. The Trustees have considered this and have agreed to provide a letter of comfort to NIAB. The Trustees have provided that comfort letter having considered the financial position of The Trust, including its available reserves and ability to borrow against assets, and are satisfied that The Trust can provide that support as and when it is required without having a significant impact on its own ability to continue as a going concern.

The Trustees therefore have a reasonable expectation that The Trust has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

Reserves Policy

The Trustees have reviewed the reserves of The Trust. There has been considerable cost associated with making the land available for development. Whilst free reserves are currently negative, the Trust anticipate this will be resolved with the planned disposal of further land assets. The Trustees deem the current level of reserves as appropriate given their current commitments.

The Trustees will re-consider their reserves policy in conjunction with the allocation of proceeds from land sale and longer-term asset finance. The Trustees will seek to balance the aim of maintaining the value of its total reserves position with their desire to provide to NIAB continuing annual funding for research initiatives and support.

The Trust had total reserves of £48,099k (2023:£53,970k) at the balance sheet date of which £5,439k (2023:£5,496k is restricted and £42,660k (2021:£48,474k) is unrestricted.

Accounting Period

The Trustees present their report and the financial statements for the year ended 31 March 2024. The company's year-end (Accounting Reference Date) has been amended to 28 March, although the financial statements continue to be prepared to 31 March as permitted by section 390(3) of the Companies Act 2006.

RISK ASSESSMENT AND MANAGEMENT

The Board of Trustees is responsible for ensuring there are effective and adequate risk management and internal control systems in place to manage the major risks to which the Charity is exposed. The Board reviews the risk register at each meeting.

Principal Risks and Uncertainties

| Risk Area | Risk | Management |
|-------------------|---|--|
| Compliance | Performance of contractual obligations with third parties | Clear delegation to NIAB for management of key projects and contracts, with regular reporting back to the Trustees |
| Strategy | Failure to generate income from the asset base | Day to day management is delegated to NIAB COO who reports to both The Trust and NIAB regarding project progress and expenditure. The Trust approved all expenditure relating to capital projects. The development programme is supported by legal and professional advisors who report regularly to the project team. Long term cash flow forecasts are reviewed regularly. |
| Strategy | Third Party creating a liability for The Trust and NIAB through financial risk. | Land Sales are dealt with under consortium agreements. NIAB group performance regularly monitored, and Chair of Trustees sits as an Observer on NIAB Board |
| Strategy | Non-performance of The Trust's contractual obligations with other 3rd party organisations | Monitoring of NIAB's performance against contracts where The Trust is a signing party. Regular interactions with Defra in relation to land sales |
| Strategy | NIAB 1996 Pension Scheme | There are legally binding agreements in place between The Trust, NIAB and the Pension Scheme. The March 2021 Triannual valuation and recovery plan has been agreed between the parties. |
| Financial | Failure to generate sufficient cash to support commitments | Regular review of ongoing commitments and reserves policy |

STRUCTURE, GOVERNANCE and MANAGEMENT

Members and Board of Trustees

The members of The Trust are the Trustee/Directors. The Board of Trustees comprises the Chair and up to seven additional trustee directors.

The following Trustees have served during the period:

J A Elliot (Chair)
Dr C W Looker
R A Macdonald CBE
J E Godfrey
J R Latham (appointed 9 January 2024)
P G Wynn (appointed 9 January 2024)
R Pemberton (retired 4 December 2023)

Recruitment, induction and training of Trustees

The Trust recruits Trustees with the relevant skillset to support the charity's activities. An induction programme has been put in place for newly appointed Trustees and is kept under review and updated where appropriate.

Organisation and governance

The National Institute of Agricultural Botany was founded by a Deed of Trust dated 13 January 1919 and, up until 31 March 1998 regulated by a scheme made by the Secretary of State for Education and Science under section 18 of the Charities Act 1960. The Institute's registered charity number was 306069.

When NIAB was privatised from Government in 1996, a new structure was agreed with the Charity Commission from 1 April 1998 which saw the formation of two charities which would operate in tandem. The Trust provide land, facilities and financial support to NIAB who perform the charitable activities. The activities of the unincorporated entity were transferred to a new charitable company on 6th July 2012.

The Trust was incorporated in England and Wales as a company limited by guarantee on 26 October 2011, and is governed by its Memorandum and Articles of Association dated 26 October 2011, and amended 19 July 2013. It is registered as a charity with the Charity Commission (Charity No: 1144528). Its principal operating address is 93 Lawrence Weaver Road, Cambridge, CB3 0LE.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006 and 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 (FRS102) (effective 1 January 2015).

Governance Code

The Trustees will be reviewing the Charity Code of Governance in how best to enhance the organisation's effectiveness.

Fundraising

The Trust carried out no fundraising activity in the year.

Defra

After NIAB was privatised from Government in 1996, the interests of Defra were expressed within a legal charge over certain properties and parcels of land. The original 1996 Debenture was revised in 2007, as a result of negotiations regarding land sales. The fair value of the interest in the property assets of £4,949k (2023: £4,992k) is detailed in note 22.

The Trust has held productive conversations regarding the liabilities associated with land sales. These conversations are ongoing.

Trustee Remuneration

Charity Commission approval has been received to enable The Trust to make payments to Trustees. The Trust provides an honorarium for the Chairman of the Board. In addition to this, a per diem fee is payable to qualifying Trustees. This is subject to regular review.

Decision making and key management

The Board of Directors (Trustees) administer the company and meet quarterly.

The Trust has no employees. To facilitate effective operations, members of the executive within NIAB have delegated authority, within terms of delegation approved by the Trustees, for operational matters.

Liability Insurance

The Trustees have effected liability insurance as permitted by the company's articles. This insurance does not provide cover in the event that a Trustee is proved to have acted fraudulently or dishonestly.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE ANNUAL AUDIT REPORT AND FINANCIAL STATEMENTS

The Trustees (who are also directors of The Trust for the purposes of company law) are responsible for preparing the Trustees Report, incorporating the Strategic Report, and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom general accepted accounting practise (United Kingdom accounting standards and applicable law), including FRS102, the financial reporting standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless that they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP (FRS102);
- make judgments and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

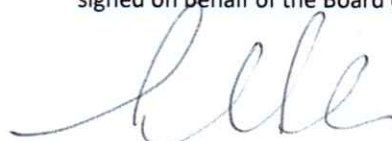
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- So far as each Trustee is aware, there is no relevant audit information of which the auditors are unaware; and
- The Trustees 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 the charitable company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees approve the Trustees' Report, incorporating the Strategic Report, and financial statements which are signed on behalf of the Board of Trustees of The Trust.



J A Elliot, Trustee

Date: 13 December 2024

National Institute of Agricultural Botany Trust

Opinion

We have audited the financial statements of National Institute of Agricultural Botany Trust ('the company') for the year ended 31 March 2024 which comprise the Statement of Financial Activities (incorporating the Summary Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 March 2024 and of its 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 Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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 there is 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.

National Institute of Agricultural Botany Trust

Independent Auditors' Report to the of National Institute of Agricultural Botany Trust (continued)

Opinions 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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

National Institute of Agricultural Botany Trust

Independent Auditors' Report to the of National Institute of Agricultural Botany Trust (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company 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.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

National Institute of Agricultural Botany Trust

Independent Auditors' Report to the of National Institute of Agricultural Botany Trust (continued)

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. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Andrew Stickland (Senior statutory auditor)

for and on behalf of

Moore Kingston Smith LLP

Statutory Auditors

9 Appold Street
London
EC1M 7AD

19 December 2024

National Institute of Agricultural Botany Trust

**Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 March 2024**

| | Note | Unrestricted funds 2024 £000 | Restricted funds 2024 £000 | Total funds 2024 £000 | <i>Total funds 2023 £000</i> |
|---|------|---------------------------------------|-------------------------------------|--------------------------------|--|
| Income from: | | | | | |
| Charitable activities | 4 | 828 | - | 828 | 742 |
| Investments | 5 | 706 | - | 706 | 427 |
| Total income | | 1,534 | - | 1,534 | 1,169 |
| Expenditure on: | | | | | |
| Charitable activities | 7 | 2,957 | 26 | 2,983 | 2,739 |
| Other expenditure - Loss on revaluation of fixed assets | 12 | 4,519 | - | 4,519 | - |
| Total expenditure | | 7,476 | 26 | 7,502 | 2,739 |
| Net expenditure before net gains/(losses) on investments | | (5,942) | (26) | (5,968) | (1,570) |
| Net gains/(losses) on investments | | 128 | (31) | 97 | (159) |
| Net income/(expenditure) | | (5,814) | (57) | (5,871) | (1,729) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 48,474 | 5,496 | 53,970 | 55,699 |
| Total funds carried forward | 22 | 42,660 | 5,439 | 48,099 | 53,970 |

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

The notes on pages 17 to 40 form part of these financial statements.

National Institute of Agricultural Botany Trust

**Balance Sheet
As at 31 March 2024**

| | Note | 2024 £000 | 2023 £000 |
|---|------|----------------|---------------|
| Fixed assets | | | |
| Tangible assets | 12 | 39,387 | 53,212 |
| Investments | 14 | 2,180 | - |
| Investment property | 13 | 23,688 | 15,496 |
| | | <u>65,255</u> | <u>68,708</u> |
| Current assets | | | |
| Debtors | 15 | 1,750 | 2,914 |
| Cash at bank and in hand | | 7,940 | 10,035 |
| | | <u>9,690</u> | <u>12,949</u> |
| Creditors: amounts falling due within one year | 16 | (12,925) | (13,250) |
| | | <u>(3,235)</u> | <u>(301)</u> |
| Net current liabilities | | | |
| | | <u>62,020</u> | <u>68,407</u> |
| Total assets less current liabilities | | | |
| Creditors: amounts falling due after more than one year | 17 | (13,354) | (13,861) |
| Provisions for liabilities | | (567) | (576) |
| | | <u>48,099</u> | <u>53,970</u> |
| Total net assets | | | |
| Charity funds | | | |
| Restricted funds | 21 | 5,439 | 5,496 |
| Unrestricted funds | 21 | 42,660 | 48,474 |
| | | <u>48,099</u> | <u>53,970</u> |
| Total funds | | | |

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

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

The financial statements were approved and authorised for issue by the Trustees on 13 December 2024 and signed on their behalf by:


J A Elliot
 (Chair of Trustees)

The notes on pages 17 to 40 form part of these financial statements.

National Institute of Agricultural Botany Trust

Statement of Cash Flows
For the Year Ended 31 March 2024

| | 2024 £000 | 2023 £000 |
|--|----------------|----------------|
| Cash flows from operating activities | | |
| Net cash used in operating activities (note 23) | (645) | 1,640 |
| Cash flows from investing activities | | |
| Dividends, interests and rents from investments | 706 | 427 |
| Purchase of tangible fixed assets | (156) | (49) |
| Proceeds from sale of investments | - | 7,677 |
| Purchase of investments | (2,000) | - |
| Interest paid | - | (70) |
| Net cash (used in)/provided by investing activities | (1,450) | 7,985 |
| Cash flows from financing activities | | |
| Repayments of borrowing | - | (1,500) |
| Net cash provided by/(used in) financing activities | - | (1,500) |
| Change in cash and cash equivalents in the year | (2,095) | 8,125 |
| Cash and cash equivalents at the beginning of the year | 10,035 | 1,910 |
| Cash and cash equivalents at the end of the year | 7,940 | 10,035 |

The notes on pages 17 to 40 form part of these financial statements

National Institute of Agricultural Botany Trust

Notes to the Financial Statements For the Year Ended 31 March 2024

1. General information

National Institute of Agricultural Botany Trust is a company limited by guarantee incorporated in England and Wales and a registered charity.

The registered office of the charity is 93 Lawrence Weaver Road, Cambridge, CB3 0LE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within the accounting policies and 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.

National Institute of Agricultural Botany Trust meets the definition of a public benefit entity under FRS 102.

2.2 Going concern

The Trust delivers its charitable objects primarily through its support for NIAB (Charity No: 1064230). The two charities were formed in 1998, following the separation of the National Institute of Agricultural Botany from government in 1996. The Trust holds the charitable assets from the original charitable scheme, and the operational activities were transferred to NIAB. The two charities have continued to work closely and the Trustees continue to believe that NIAB is the best vehicle to deliver the charitable objects of The Trust.

The Trust is a participating employer in the NIAB (1996) Pension Scheme (the 'Scheme') with NIAB. This means that the entire deficit liability of the pension scheme could fall to The Trust, and the assets of The Trust support NIAB's balance sheet in providing the employer covenant, and the recovery payments agreed under the recovery plan.

The Trustees have reviewed the cash flow supporting its own activities for future years. They have also considered the NIAB management projections and cash flow projections to ensure there is sufficient resources within The Trust to be able to fully support its own and NIAB's activities and financial position for the foreseeable future, being at least twelve months from the date of approval of these financial statements.

The Trust's NET current liabilities at 31 March 2024 were £1,055k (2023: £301k).

If needed, further funds would become available on the sale of investment properties.

**Notes to the Financial Statements
For the Year Ended 31 March 2024**

2. Accounting policies (continued)

2.2 Going concern (continued)

The Trust has considered the financial position of NIAB and its subsidiaries (together "NIAB Group") and the funding required to support them in the future. The NIAB Group financial position suggests that over the medium term (to 31 March 2026) it is possible that in order to ensure they remain viable The Trust may need to provide short term lending of up to £2m. The Trustees have considered this and have agreed to provide a letter of comfort to NIAB. The Trustees have provided that comfort letter having considered the financial position of The Trust, including its available reserves and ability to borrow against assets, and are satisfied that The Trust can provide that support as and when it is required without having a significant impact on its own ability to continue as a going concern.

The Trustees therefore have a reasonable expectation that The Trust has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements, and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

2.3 Fund accounting

General unrestricted funds

General unrestricted funds represent income which is expendable at the discretion of the Trust in the furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Designated funds

Designated funds are unrestricted funds of the charity which the trustees have decided, at their discretion, to set aside to use for a specific purpose.

Restricted funds

Restricted funds represent grant funded assets which are allocated by the donor for specific purposes and in which the donor maintains a residual interest.

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

2.4 Income

Income has been analysed in accordance with the service provided.

Income from charitable activities:

Incoming resources are recognised, when the charity has entitlement to the funds.

Grant income, whether 'capital' or 'revenue', is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred to a future period by a funder. They are recognised as restricted funds in the statement of financial activities where relevant under the particular terms of the grant.

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

Notes to the Financial Statements
For the Year Ended 31 March 2024

2. Accounting policies (continued)

2.5 Accrued and deferred income

Income within charitable activities, other activities and investment income includes income received under contract or where entitlement to grant funding is subject to specific performance conditions and is recognised as earned (as the related services are provided). This may mean accruing for invoices not yet raised, and deferring payments received in advance of work done.

2.6 Interest receivable

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

2.7 Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Trust to the expenditure. Expenditure is allocated as follows:

Charitable Activities

Expenditure incurred directly in the fulfillment of the objectives of the charity including allocated overheads

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administrative and governance costs which support the objectives of the charity. These costs have been allocated across fundraising and charitable activities. The bases on which support costs have been allocated are set out in note 8.

Governance costs

Expenditure incurred in running and administering the charity which is not directly attributable to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

Notes to the Financial Statements
For the Year Ended 31 March 2024

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation

The charity's policy is to carry all land and buildings at value in use. Depreciation is not provided on freehold land. Assets in the course of construction are carried at cost and not depreciated. On other assets depreciation is provided on cost or revalued amounts in equal annual installments over the estimated lives of the assets.

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 | - between 10 and 60 years |
| Plant and machinery | - 5 to 15 years |
| Fixtures and fittings | - 4 to 10 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of financial activities.

2.9 Investments

Land held for re-sale and properties held to earn rental or for capital appreciation rather than for use in the supply of service are held at fair value. Changes in fair value and gains and losses arising on disposal are recognised in the statement of financial activities and to the appropriate fund holding the investment. No depreciation is provided in respect of land held for re-sale or investment properties.

Listed investments are initially measured at their cost and subsequently measured at their fair value at each reporting date. Fair value is based on their bid price at the balance sheet date without deduction of the estimated future selling costs. Investments in subsidiaries are valued at cost less provision for impairment.

All gains or losses, whether on revaluation or disposal, are included in "Net losses or gains on investments".

2.10 Financial instruments

The Charity only has financial assets and financial liabilities which qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.11 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition or the balance sheet date and that are readily convertible to known amounts of cash with insignificant risk of change of value. The cash balance includes funds of £944k relating to the Defra redundancy fund.

Notes to the Financial Statements
For the Year Ended 31 March 2024

2. Accounting policies (continued)

2.12 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

2.13 Liabilities

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

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.

2.14 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.

The Charity's functional and presentational currency is GBP

Notes to the Financial Statements
For the Year Ended 31 March 2024

3. Critical accounting estimates and areas of judgement

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where those judgements and estimates have been made and the assumptions where there is a significant risk of causing a material adjustment to the carrying amount of assets in the next accounting period include:

Critical accounting estimates and assumptions:

Land for re-sale

The Trust has made a significant judgement in revaluing the land held for re-sale at Darwin Green, for which forecasted cash flow receipts, from disposal strategy reports prepared by Bidwells, have been used as a basis for the revaluation (note 13).

The next phase is dependent on planning permission. The Trust believes that the buyer is more likely than not to contract to purchase the remaining portion of land and therefore includes the land held for resale at a valuation based on the expected cashflows discounted by 10%. The rate reflects the risks and uncertainties with the development. The Trust will re-assess both the expected cashflow timings and discount rate used as these move through planning permission.

Freehold residential investment property

Residential investment properties, for which the Trust receives rental income, are held at Fair value as determined by an annual valuation exercise. These are included at the latest professional valuation carried out by Messrs Strutt & Parker on 22 September 2021 (£8,360k) uplifted by the general increases in local residential property prices as at 31 March 2024 (note 13).

Freehold investment property

This property has been included at fair value as estimated by the trustees.

Cost allocation

The cost allocation methodology requires a judgement as to what are the most appropriate bases to use to apportion support costs. These are reviewed annually for reasonableness.

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2024

4. Income from charitable activities

| | Unrestricted funds 2024 £000 | Total funds 2024 £000 |
|---|---|--|
| Provision of facilities to NIAB | 500 | 500 |
| Provision of facilities to Cambridge University | 328 | 328 |
| Total 2024 | 828 | 828 |
| | <i>Unrestricted funds 2023 £000</i> | <i>Total funds 2023 £000</i> |
| Provision of facilities to NIAB | 500 | 500 |
| Provision of facilities to Cambridge University | 242 | 242 |
| <i>Total 2023</i> | <i>742</i> | <i>742</i> |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2024

5. Investment income

| | Unrestricted funds 2024 £000 | Total funds 2024 £000 |
|---|---|--|
| Rental income - residential investment properties | 383 | 383 |
| Income from listed investments | 42 | 42 |
| Interest receivable from NIAB | 106 | 106 |
| Bank interest received | 175 | 175 |
| Total 2024 | <u>706</u> | <u>706</u> |
| | <i>Unrestricted funds 2023 £000</i> | <i>Total funds 2023 £000</i> |
| Rental income - residential investment properties | 279 | 279 |
| Interest receivable from NIAB | 64 | 64 |
| Bank interest received | 84 | 84 |
| <i>Total 2023</i> | <u>427</u> | <u>427</u> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2024**

6. Analysis of grants

| | Grants to Institutions 2024 £000 | Total funds 2024 £000 |
|---------------|---|--|
| Grant to NIAB | 1,341 | 1,341 |

| | <i>Grants to Institutions 2023 £000</i> | <i>Total funds 2023 £000</i> |
|---------------|---|--|
| Grant to NIAB | 1,050 | 1,050 |

The Charity has made the following material grants to institutions during the year:

| | 2024 £000 | <i>2023 £000</i> |
|---|----------------------|----------------------|
| Name of institution | | |
| NIAB - to fund research | 1,000 | 1,000 |
| NIAB - contribution to pension fund deficit | 341 | - |
| NIAB - new accounting system | - | 50 |
| | 1,341 | 1,050 |
| | 1,341 | 1,050 |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2024**

7. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2024 £000 | Restricted funds 2024 £000 | Total 2024 £000 |
|-------------------------|---|---|--------------------------------|
| Grants to NIAB (note 6) | 1,341 | - | 1,341 |
| Administration fees | 125 | - | 125 |
| Legal & Professional | 197 | - | 197 |
| Property costs | 103 | - | 103 |
| Other costs | 29 | - | 29 |
| Depreciation | 1,162 | 26 | 1,188 |
| | <hr/> 2,957 <hr/> | <hr/> 26 <hr/> | <hr/> 2,983 <hr/> |

| | <i>Unrestricted funds 2023 £000</i> | <i>Restricted funds 2023 £000</i> | <i>Total 2023 £000</i> |
|-------------------------|---|---|--------------------------------|
| Grants to NIAB (note 6) | 1,050 | - | 1,050 |
| Administration fees | 125 | - | 125 |
| Legal & professional | 166 | - | 166 |
| Property costs | 132 | - | 132 |
| Interest paid | 70 | - | 70 |
| Other costs | 6 | - | 6 |
| Depreciation | 1,164 | 26 | 1,190 |
| | <hr/> 2,713 <hr/> | <hr/> 26 <hr/> | <hr/> 2,739 <hr/> |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2024

8. Analysis of expenditure by activities

| | Property 2024 £000 | Grant funding 2024 £000 | Support costs 2024 £000 | Total funds 2024 £000 |
|-------------------------|--------------------------|-------------------------------|-------------------------------|--------------------------------|
| Grants to NIAB (note 6) | - | 1,341 | - | 1,341 |
| Administration fees | 50 | - | 75 | 125 |
| Legal & professional | 183 | - | 14 | 197 |
| Property costs | 1,188 | - | - | 1,188 |
| Provision of facilities | 103 | - | - | 103 |
| Other costs | - | - | 29 | 29 |
| | <u>1,524</u> | <u>1,341</u> | <u>118</u> | <u>2,983</u> |

| | <i>Property 2023 £000</i> | <i>Grant funding 2023 £000</i> | <i>Support costs 2023 £000</i> | <i>Total funds 2023 £000</i> |
|-------------------------|-----------------------------------|--|--|--|
| Grants to NIAB (note 6) | - | 1,050 | - | 1,050 |
| Administration fees | 50 | - | 75 | 125 |
| Legal & professional | 151 | - | 15 | 166 |
| Property costs | 1,190 | - | - | 1,190 |
| Provision of facilities | 132 | - | - | 132 |
| Other costs | - | - | 6 | 6 |
| Interest paid | - | - | 70 | 70 |
| | <u>1,523</u> | <u>1,050</u> | <u>166</u> | <u>2,739</u> |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2024

9. Auditors' remuneration

| | 2024 | <i>2023</i> |
|--|-------------|-------------|
| | £000 | <i>£000</i> |
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts | 15 | <i>14</i> |

10. Taxation

The Trust is a registered charity and is thus exempt from tax on income and capital gains falling within section 505 of the Income and Corporation Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

No deferred tax liabilities have been recognised for assets held at fair value.

11. Trustees' remuneration and expenses

There were 7 serving Trustees during the year or part thereof (2023 - 5). Four Trustees were paid honorariums or *per diem* fees totaling £6,200 (2023 - 3 totalling £5,200).

Expenses totaling £1,177 were reimbursed or paid directly to 3 Trustees (2023: £240 to 3 Trustees). This principally reflects reimbursed travelling expenses incurred in attending meetings.

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2024**

12. Tangible fixed assets

| | Freehold property £000 | Plant and machinery £000 | Total £000 |
|---------------------------------|------------------------------|--------------------------------|---------------|
| Cost or valuation | | | |
| At 1 April 2023 | 59,060 | 252 | 59,312 |
| Additions | 156 | - | 156 |
| Transfer to investment property | (9,252) | - | (9,252) |
| Revaluations | (4,519) | - | (4,519) |
| | 45,445 | 252 | 45,697 |
| Depreciation | | | |
| At 1 April 2023 | 5,920 | 180 | 6,100 |
| Charge for the year | 1,176 | 11 | 1,187 |
| Transfer to investment property | (977) | - | (977) |
| | 6,119 | 191 | 6,310 |
| Net book value | | | |
| At 31 March 2024 | 39,326 | 61 | 39,387 |
| At 31 March 2023 | 53,140 | 72 | 53,212 |

Freehold property formerly included NIAB's headquarters building at Lawrence Weaver Road (which includes the Crop Science Centre) and the buildings and glasshouses at Park Farm. During the year the decision was made to relocate all of NIAB's Cambridge staff to Park Farm and part of the Lawrence Weaver Building was let to third parties. That property has been transferred to investment properties at valuation (note 14).

Assets transferred to investment properties (note 13)

| | |
|------------------------------------|--------------|
| Cost of assets transferred | 13,771 |
| Depreciation on asset transferred | (977) |
| Revaluation of assets on transfer | (4,519) |
| Assets transferred at value | 8,275 |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2024**

Tangible Fixed Assets (continued)

Building costs are held as "Assets in the course of construction" until completed when they are transferred to the relevant asset class.

As stated in the accounting policy (note 2), the Trust carries land and freehold buildings at value in use.

When the new structure was initiated in 1998 (see "Background" in the Trustees' Report), the interests of Defra were expressed within a legal charge over certain properties and parcels of land. This interest amounts to £1,455k of the cost of the land and buildings.

The carrying amount under the cost model of the assets which have been revalued would have been £Nil (2023: £Nil).

The Charity's bankers have a legal charge secured on certain of the freehold land and buildings

13. Investment property

| | Freehold residential investment property £000 | Freehold investment property £000 | Land held for resale £000 | Total £000 |
|-------------------------------------|---|--|---------------------------------|---------------|
| Valuation | | | | |
| At 1 April 2023 | 9,363 | - | 6,133 | 15,496 |
| Transfer from Tangible Fixed assets | - | 8,275 | - | 8,275 |
| Gain on revaluation | (83) | - | - | (83) |
| At 31 March 2024 | 9,280 | 8,275 | 6,133 | 23,688 |

The Trustees have reviewed the market value of the Trust's freehold investments at 31 March 2024.

The residential investment properties are included at £9,280k (2023: £9,363k) based upon a valuation carried out by Messrs Strutt & Parker in September 2021 (£8,360k) adjusted by the general changes in local residential property prices as at 31 March 2024. Defra has an interest of £3,566k in the investment properties (see note 21).

During the year the decision was made to relocate all of NIAB's Cambridge staff to Park Farm and part of the Lawrence Weaver Building was let to third parties. That property has been transferred to investment properties based on a valuation by the Trustees.

The Trustees have valued the land held for re-sale at £6,133k (2023: £6,133k). The valuation is based on projected future cash flows, which have been discounted to the net present value at a rate of 10%. The rate of 10% reflects an the risk factor associated with the sale.

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2024**

14. Fixed asset investments

| | Listed investments £000 |
|--------------------------|--|
| Cost or valuation | |
| Additions | 2,180 |
| At 31 March 2024 | 2,180 |
| Net book value | |
| At 31 March 2024 | 2,180 |

15. Debtors

| | 2024 £000 | <i>2023 £000</i> |
|--------------------------------|----------------------|----------------------|
| Trade debtors | 168 | 150 |
| Amount due from NIAB ** | 1,500 | 2,480 |
| Other debtors | 19 | 155 |
| Prepayments and accrued income | 5 | 11 |
| Tax recoverable | 58 | 118 |
| | 1,750 | 2,914 |

A loan to NIAB of £1.5m included above ** is scheduled to be repaid in full by 8 February 2026 (see note 28).

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2024**

16. Creditors: Amounts falling due within one year

| | 2024 | <i>2023</i> |
|------------------------------|---------------|---------------|
| | £000 | <i>£000</i> |
| Trade creditors | 57 | 55 |
| Amount owed to NIAB | 27 | - |
| Other creditors | 12,548 | 12,538 |
| Accruals and deferred income | 293 | 657 |
| | 12,925 | <i>13,250</i> |
| | 12,925 | <i>13,250</i> |

Bank loans - Barclays Bank Plc made available a revolving loan facility of up to £9,700k at an interest rate of 1.5% above LIBOR (from January 2022 this changed to Bank of England Base Rate plus margin). The loan was repaid in September 2022.

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

| | 2024 | <i>2023</i> |
|------------------------------|---------------|---------------|
| | £000 | <i>£000</i> |
| Accruals and deferred income | 13,354 | 13,861 |
| | 13,354 | <i>13,861</i> |

Deferred income included above of £13,184k (2023: £13,461k) arises from amounts received from the University of Cambridge towards capital expenditure. Similar deferred income of £274k (2023: £274k) is also included in Creditors: Amounts falling due within one year. The total deferred income is £13,428k (2023: £13,735) (note 18).

18. Deferred income

| | 2024 | <i>2023</i> |
|---|---------------|---------------|
| | £000 | <i>£000</i> |
| Deferred income at 1 April 2023 | 13,735 | 13,977 |
| Amounts released from previous periods | (307) | (242) |
| Deferred income at 31 March 2024 | 13,428 | <i>13,735</i> |
| | 13,428 | <i>13,735</i> |

Deferred income arises from amounts received from the University of Cambridge towards capital expenditure on the Cambridge Crop Science Centre and the University Glasshouse (note 17).

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2024

19. Provisions

| | Redundancy Fund £000 |
|------------------|-------------------------------------|
| At 1 April 2023 | 576 |
| Amounts reversed | (9) |
| | <hr/> 567 <hr/> |

The provision reflects the potential costs of future redundancies of staff employed at 31 March 1996 for their service to that date and is cash backed.

20. Financial instruments

| | 2024 £000 | <i>2023 £000</i> |
|--|--------------------------|---------------------------|
| Financial assets | | |
| Financial assets measured at fair value through income and expenditure | 7,940 | <i>10,035</i> |
| | <hr/> 7,940 <hr/> | <hr/> <i>10,035</i> <hr/> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2024**

21. Statement of funds

Statement of funds - current year

| | Balance at 1 April 2023 £000 | Income £000 | Expenditure £000 | Gains/ (Losses) £000 | Balance at 31 March 2024 £000 |
|-----------------------------------|------------------------------------|---------------------|-----------------------|----------------------------|-------------------------------------|
| Unrestricted funds | | | | | |
| General Funds | (1,701) | 1,534 | (2,957) | 128 | (2,996) |
| Fixed asset | 50,175 | - | - | (4,519) | 45,656 |
| | <u>48,474</u> | <u>1,534</u> | <u>(2,957)</u> | <u>(4,391)</u> | <u>42,660</u> |
| Restricted funds | | | | | |
| ERDF | 504 | - | (14) | - | 490 |
| Defra Charitable Assets reserve | 1,395 | - | (12) | - | 1,383 |
| Defra Investment Property reserve | 3,597 | - | - | (31) | 3,566 |
| | <u>5,496</u> | <u>-</u> | <u>(26)</u> | <u>(31)</u> | <u>5,439</u> |
| Total of funds | <u><u>53,970</u></u> | <u><u>1,534</u></u> | <u><u>(2,983)</u></u> | <u><u>(4,422)</u></u> | <u><u>48,099</u></u> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2024**

21. Statement of funds (continued)

Statement of funds - prior year

| | <i>Balance at 1 April 2022 £000</i> | <i>Income £000</i> | <i>Expenditure £000</i> | <i>Gains/ (Losses) £000</i> | <i>Balance at 31 March 2023 £000</i> |
|-----------------------------------|---|------------------------|-----------------------------|-------------------------------------|--|
| Unrestricted funds | | | | | |
| General Funds | 116 | 1,169 | (2,713) | (273) | (1,701) |
| Fixed asset | 50,175 | - | - | - | 50,175 |
| | <u>50,291</u> | <u>1,169</u> | <u>(2,713)</u> | <u>(273)</u> | <u>48,474</u> |
| Restricted funds | | | | | |
| ERDF | 518 | - | (14) | - | 504 |
| Defra Charitable Assets reserve | 1,407 | - | (12) | - | 1,395 |
| Defra Investment Property reserve | 3,483 | - | - | 114 | 3,597 |
| | <u>5,408</u> | <u>-</u> | <u>(26)</u> | <u>114</u> | <u>5,496</u> |
| Total of funds | <u><u>55,699</u></u> | <u><u>1,169</u></u> | <u><u>(2,739)</u></u> | <u><u>(159)</u></u> | <u><u>53,970</u></u> |

The ERDF restricted fund relates to a capital grant for the Sophi Taylor Building and associated glasshouse facilities. The funds will be written off over the relevant reporting period.

Defra have an interest in a proportion of the Charitable Assets, which is secured by a legal charge. The Defra Charitable Assets reserves £1,383k (2023: £1,395k) reflects the fair value of this interest, should the Trust dispose of their estate. The Defra Investment Property reserve reflects the fair value of the interest in investment properties of £3,566k (2023: £3,597k).

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2024**

22. Summary of funds

Summary of funds - current year

| | Balance at 1 April 2023 £000 | Income £000 | Expenditure £000 | Gains/ (Losses) £000 | Balance at 31 March 2024 £000 |
|------------------|---|------------------------|-----------------------------|-------------------------------------|--|
| General funds | 48,474 | 1,534 | (2,957) | (4,391) | 42,660 |
| Restricted funds | 5,496 | - | (26) | (31) | 5,439 |
| | <u>53,970</u> | <u>1,534</u> | <u>(2,983)</u> | <u>(4,422)</u> | <u>48,099</u> |

Summary of funds - prior year

| | <i>Balance at 1 April 2022 £000</i> | <i>Income £000</i> | <i>Expenditure £000</i> | <i>Gains/ (Losses) £000</i> | <i>Balance at 31 March 2023 £000</i> |
|------------------|---|------------------------|-----------------------------|-------------------------------------|--|
| General funds | 50,291 | 1,169 | (2,713) | (273) | 48,474 |
| Restricted funds | 5,408 | - | (26) | 114 | 5,496 |
| | <u>55,699</u> | <u>1,169</u> | <u>(2,739)</u> | <u>(159)</u> | <u>53,970</u> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2024**

23. Analysis of net assets between funds

Analysis of net assets between funds - current period

| | Unrestricted funds 2024 £000 | Restricted funds 2024 £000 | Total funds 2024 £000 |
|--|---|---|--|
| Tangible fixed assets | 25,623 | 1,873 | 27,496 |
| Fixed asset investments | 2,180 | - | 2,180 |
| Investment property | 32,013 | 3,566 | 35,579 |
| Current assets | 9,690 | - | 9,690 |
| Creditors due within one year | (12,925) | - | (12,925) |
| Creditors due in more than one year | (13,354) | - | (13,354) |
| Provisions for liabilities and charges | (567) | - | (567) |
| Total | <u>42,660</u> | <u>5,439</u> | <u>48,099</u> |

Analysis of net assets between funds - prior period

| | <i>Unrestricted funds 2023 £000</i> | <i>Restricted funds 2023 £000</i> | <i>Total funds 2023 £000</i> |
|--|---|---|--|
| Tangible fixed assets | 51,313 | 1,899 | 53,212 |
| Investment property | 11,899 | 3,597 | 15,496 |
| Current assets | 12,949 | - | 12,949 |
| Creditors due within one year | (13,250) | - | (13,250) |
| Creditors due in more than one year | (13,861) | - | (13,861) |
| Provisions for liabilities and charges | (576) | - | (576) |
| Total | <u>48,474</u> | <u>5,496</u> | <u>53,970</u> |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2024

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

| | 2024 £000 | 2023 £000 |
|---|--------------|--------------|
| Net expenditure for the period (as per Statement of Financial Activities) | (5,871) | (1,729) |
| Adjustments for: | | |
| Depreciation charges | 1,187 | 1,190 |
| Loss on revaluation of fixed assets | 4,519 | - |
| (Losses)/Gains on land for resale | - | 376 |
| Interest paid | - | 70 |
| Gains on investment portfolio | (180) | - |
| Losses/(Gains) on revaluation of investment properties | 83 | (303) |
| Decrease/(increase) in debtors | 1,164 | (905) |
| Increase/(decrease) in creditors | (841) | 3,368 |
| Investment income | (706) | (427) |
| Net cash provided by/(used in) operating activities | (645) | 1,640 |

25. Analysis of cash and cash equivalents

| | 2024 £000 | 2023 £000 |
|--|--------------|---------------|
| Cash in hand | 7,940 | 10,035 |
| Total cash and cash equivalents | 7,940 | 10,035 |

26. Analysis of changes in net debt

| | At 1 April 2023 £000 | Cash flows £000 | At 31 March 2024 £000 |
|--------------------------|----------------------------|--------------------|-----------------------------|
| Cash at bank and in hand | 10,035 | (2,095) | 7,940 |
| | 10,035 | (2,095) | 7,940 |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements For the Year Ended 31 March 2024

27. Contingent liabilities

In the past certain purchases of land and buildings were partly or wholly financed by a capital grant received from Defra. It is a condition of such grants that, in the event of the property being sold, the net sale proceeds will be apportioned between the Trust and Defra based upon their respective contributions to the original purchase price, and an allocation of agreed deductible costs incurred since the original acquisition. The Trustees have disclosed the Defra interest of £1,383k in charitable assets and £3,566k in investment properties (a total of £4,949k: 2023 - £4,992k) within note 21.

In December 2019 the Trust became a participator in the NIAB (1996) Pension Scheme. In the case of NIAB's insolvency the Trust would be required to make good any shortfall. The potential liability (which is carried in NIAB's balance sheet) stood at £14,356k at 31 March 2024 (2023: £13,741k).

28. Related party transactions

The National Institute of Agricultural Botany Trust has an object to support NIAB. A facilities charge is made for the occupation of the land and buildings owned by the Trust. The Trust receives an invoice from NIAB relating to the provision of support through a Research Funding Agreement between the two parties. These transactions will be represented by both cash and non-cash, due to accruals made for activities at the end of the financial year.

Transactions during the year relate to receipt of a facilities charge, and expenditure on research contracts conducted by NIAB. No charge is made with respect to the Sophi Taylor Building.

These transactions are summarised below:

| | 2024 | <i>2023</i> |
|--------------------------------------|----------------|----------------|
| | £000 | <i>£000</i> |
| Support grant | (1,000) | <i>(1,000)</i> |
| Provision of administration services | (125) | <i>(125)</i> |
| Pension fund support | (341) | <i>-</i> |
| Support for new accounting system | - | <i>(50)</i> |
| Closing (creditor)/debtor | (27) | <i>980</i> |

NIAB has an option to take an interest free loan from National Institute of Agricultural Botany Trust, secured by a first fixed and floating charge on its assets.

The National Institute of Agricultural Botany Trust provided a loan of £1,500,000 to NIAB EMR. The loan was transferred to NIAB on 1 April 2021 when NIAB acquired the business of NIAB EMR. The loan is secured by a first fixed and floating charge on the assets of NIAB and, while there is no fixed repayment timetable, it is repayable by 8 February 2026. Interest is charged at 2% above the Bank of England base rate, which is considered to be market value.

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2024**

29. Related undertaking

The Trust has an objective to support NIAB (a company limited by guarantee) and delivers its charitable aims through this associated company. Copies of the NIAB accounts are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

NATIONAL INSTITUTE OF AGRICULTURAL BOTANY TRUST

England & Wales - Charity number 1144528

Accounts

National Institute of Agricultural Botany Trust

Trustees' Report and Financial Statements

For the Year Ended 31 March 2023

National Institute of Agricultural Botany Trust

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National Institute of Agricultural Botany Trust

**Reference and Administrative Details of the Charity, its Trustees and Advisers
For the Year Ended 31 March 2023**

Trustees J A Elliot, Chairman
Dr C W Looker
R Pemberton
R A Macdonald
J E Godfrey (appointed 16 November 2022)

Company registered number 7823588

Charity registered number 1144528

Registered office 93 Lawrence Weaver Road
Cambridge
CB3 0LE

Company secretary Dr J McKee

Independent auditors Moore Kingston Smith LLP
Statutory Auditors
9 Appold Street
London
EC1M 7AD

Bankers Barclays Bank plc
1 Churchill Place
Canary Wharf
London
E14 5HP

Solicitors Birketts LLP
22 Station Road
Cambridge
CB1 2JD

Ashtons Legal LLP
Chequers House
77-81 Newmarket Road
Cambridge
CB5 8EU

National Institute of Agricultural Botany Trust

Reference and Administrative Details of the Charity, its Trustees and Advisers (continued)
For the Year Ended 31 March 2023

Property Advice

Bidwells
Trumpington Road
Cambridge
CB2 2LD

St Andrews Bureau
18 Mill Road
Cambridge
CB1 2AD

Frazer Halls
A3, East Gores Farm
Salmons Lane
Coggeshall
CO6 1RZ

Ceres Property
Council Offices
London Road
Saffron Walden
CB11 4ER

TRUSTEES' REPORT INCORPORATING THE STRATEGIC REPORT

STRATEGIC REPORT

Background

The National Institute of Agricultural Botany (NIAB) was founded by Deed of Trust in 1919. It was regulated by a scheme made by the Secretary of State for Education and Science until 1998, when a new structure was agreed which saw the formation of two charities which would operate in tandem. The National Institute of Agricultural Botany Trust (The Trust) provides land, facilities and financial support to NIAB, which The Trust determine is the preferred vehicle to deliver its charitable objectives. The activities of the unincorporated trust were transferred to a new charitable company of the same name in 2012.

Mission and Vision

The specific objects of The Trust are the promotion of agriculture, horticulture and arboriculture anywhere in the world by charitable means, including the provision of support to NIAB. (Charity No. 1064230).

NIAB's mission is to support independent science-based research and information to support, develop and promote agriculture and horticulture; helping the industry to fulfil its potential in supplying food and renewable resources, while respecting the natural environment.

NIAB's vision is to connect the science base and industry by providing an integrated research and knowledge transfer hub for the entire crop improvement pipeline.

Strategy

The strategy of The Trust is to support NIAB through the provision of land, facilities and finance for investment in scientific research. The current focus is on continued improvement to the NIAB Park Farm site to enable consolidation of all Cambridge based operations.

The Trust has provided annual financial support to NIAB, both in the terms of an annual grant to support research and in the provision of a rolling working capital facility.

Public Benefit

The Trust provides facilities, research funding and other support to NIAB, which has underpinned the provision of independent science-based research and information to agriculture. The Trust seeks to:

- advance science for public benefit, primarily through the support of crop research and development, publishing scientific papers and delivering practical solutions, working with a network of scientific partnerships and collaborations with leading academic, research and commercial organisations in the UK, Europe and the rest of the world;
- demonstrate how plant resources and crop genetic improvement can help address the major global challenges of sustainable use of resources, climate change, food security and the provision of high-quality food to enhance health and nutrition;
- promote agriculture, horticulture and arboriculture anywhere in the world

The Trustees are satisfied they have complied with their duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. Based on this guidance, and as described in this Trustees' report, the Trustees believe the activities of The Trust to be charitable in nature.

Performance

Our performance against our 2022/23 objectives is highlighted in the table below:

| Objectives | Performance |
|---|---|
| Secure a beneficial value for the next phase of the Darwin Green Land | The Trust continues to work closely with a consortium of Cambridge landowners and a national house builder to secure planning permission for the future phases of the Darwin Green development in Cambridge. |
| Identify further land development opportunities | The Trust have identified possible future development sites within the land holding and is assessing planning consent feasibility for these |
| Provision of facilities, research funding and covenant support to NIAB. | <p>The Trust continues to support NIAB in the provision of facilities and research funding. The site development activities have provided new and replacement facilities which will underpin the delivery of charitable activities for the foreseeable future.</p> <p>The Trust is providing covenant support in respect of the NIAB Pension Scheme deficit as it is a participating employer in the scheme and therefore stands beside NIAB.</p> |

Objectives for 2023/24

The Trust will address the following objectives in the forthcoming year:

- Secure a beneficial value for the next phase of the Darwin Green Land
- Identify further land development opportunities
- Maximise the value of the current property portfolio
- Provision of facilities, research funding and covenant support to NIAB.

FINANCIAL REVIEW

Income

The total incoming resources for the year were £1,169k (2022: £1,789k). Income is derived from charges for the use of The Trust's charitable assets, as well as investment income and other activities. Other funding sources include realised proceeds from sale of surplus assets from property developers. Income in 2022 included a grant of £850k towards the building of new facilities.

Expenditure

The total outgoing expenditure totalled £2,739k (2022: £5,277k) made up as follows:

| | <u>2023</u> | <u>2022</u> |
|---|---------------------|---------------------|
| | <u>£'000</u> | <u>£'000</u> |
| Research funding to NIAB | 1,000 | 1,000 |
| Support to NIAB in respect of the Pension Scheme ** | - | 1,500 |
| Donation to NIAB for new accounting system | 50 | |
| Donation to NIAB to fund asset acquisition | - | 600 |
| Site development costs | - | 572 |
| Administrative costs | 125 | 125 |
| Bank and other interest | 70 | 136 |
| Professional fees | 149 | 57 |
| Other | 155 | 119 |
| Depreciation | <u>1,190</u> | <u>1,168</u> |
| Total | <u>2,739</u> | <u>5,277</u> |

** A payment of £650k was made during the year out of the accrual made in 2022.

Capital Expenditure

The charity funded the capital purchases from unrestricted reserves. Capital additions for the year total £49k (2022: £816k). Capital expenditure in the year related to landlord funded improvements to NIAB facilities.

Business Review and key performance indicators

The following financial indicators have been reviewed:

| | <u>2023</u> | <u>2022</u> |
|-------------------------|--------------|--------------|
| | <u>£'000</u> | <u>£'000</u> |
| Charitable Expenditure | 2,739 | 5,277 |
| Income from Investments | 427 | 291 |
| Support Costs | 239 | 366 |

The Charitable Expenditure is a measure of the facilities and core funding provided to NIAB. The Trustees have considered how they can best demonstrate the impact of this funding and how it can be measured.

Investment Policy

Land

Surplus land assets, which together with other parties' surplus land, are subject to a Consortium Promotion Agreement and will be disposed of in due course. The Trustees will seek to obtain the maximum sale proceeds available.

Redundancy Fund

Capital sums are held separately in respect of the NIAB Redundancy Fund. This fund was established to provide for the redundancy costs associated with staff in post as of 31 March 1996. Interest on capital is refunded to Defra, together with repayment of capital when staff leave NIAB through retirement/resignation. Sums relating to this fund are disclosed in note 18. The capital sum relating to the 1996 provision at 31 March 2023 was £576k (2022: £593k).

Going Concern

The Trust delivers its charitable objects primarily through its support for NIAB (Charity No: 1064230). The two charities were formed in 1998, following the separation of the National Institute of Agricultural Botany from government in 1996. The Trust holds the charitable assets from the original charitable scheme, and the operational activities were transferred to NIAB. The two charities have continued to work closely and the Trustees continue to believe that NIAB is the best vehicle to deliver the charitable objects of The Trust.

The Trust is a participating employer in the NIAB (1996) Pension Scheme (the 'Scheme') with NIAB. This means that the entire deficit liability of the pension scheme could fall to The Trust, and the assets of The Trust support NIAB's balance sheet in providing the employer covenant, and the recovery payments agreed under the recovery plan.

The Trustees have reviewed the cash flow supporting its own activities for future years. They have also considered the NIAB management projections and cash flow projections to ensure there is sufficient resources within The Trust to be able to fully support its own and NIAB's activities and financial position for the foreseeable future, being at least twelve months from the date of approval of these financial statements.

The Trust's NET current liabilities at 31 March 2023 were £301k (2022: £6,504k).

The Trust has historically held a loan facility with the Trust's bankers, Barclays Bank PLC. The bank have indicated a willingness to renew facilities although the Trust does not currently require this. In addition, further funds would become available, if needed, on the sale of the residential properties.

The Trust has considered the financial position of NIAB and its subsidiaries (together “NIAB Group”) and the funding required to support them in the future. The NIAB Group financial position suggests that over the medium term (to 31 March 2025) it is possible that in order to ensure they remain viable The Trust may need to provide short term lending of up to £2m. The Trustees have considered this and have agreed to provide a letter of comfort to NIAB. The Trustees have provided that comfort letter having considered the financial position of The Trust, including its available reserves and ability to borrow against assets, and are satisfied that The Trust can provide that support as and when it is required without having a significant impact on its own ability to continue as a going concern.

The Trustees therefore have a reasonable expectation that The Trust has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

Reserves Policy

The Trustees have reviewed the reserves of The Trust. There has been considerable cost associated with making the land available for development. Whilst free reserves are currently negative, the Trust anticipate this will be resolved with the planned disposal of further land assets. The Trustees deem the current level of reserves as appropriate given their current commitments.

The Trustees will re-consider their reserves policy in conjunction with the allocation of proceeds from land sale and longer-term asset finance. The Trustees will seek to balance the aim of maintaining the value of its total reserves position with their desire to provide to NIAB continuing annual funding for research initiatives and support.

The Trust had total reserves of £53,970k at the balance sheet date of which £5,496k is restricted and £48,474k is unrestricted.

Accounting Period

The Trustees present their report and the financial statements for the year ended 31 March 2023. The company’s year-end (Accounting Reference Date) has been amended to 28 March, although the financial statements continue to be prepared to 31 March as permitted by section 390(3) of the Companies Act 2006.

RISK ASSESSMENT AND MANAGEMENT

The Board of Trustees is responsible for ensuring there are effective and adequate risk management and internal control systems in place to manage the major risks to which the Charity is exposed. The Board reviews the risk register at each meeting.

Principal Risks and Uncertainties

| Risk Area | Risk | Management |
|-------------------|---|---|
| Compliance | Performance of contractual obligations with third parties | Clear delegation to NIAB for management of key projects and contracts, with regular reporting back to the Trustees |
| Strategy | Failure to generate income from the asset base | Day to day management delegated to NIAB COO who reports to both The Trust and NIAB regarding project progress and expenditure. The Trust approved all expenditure relating to capital projects. The development programme is supported by legal and professional advisors who report regularly to the project team. Long term cash flow forecasts are reviewed regularly. |
| Strategy | Third Party creating a liability for The Trust and NIAB through financial risk. | Land Sales are dealt with under consortium agreements. NIAB group performance regularly monitored, and Chair of Trustees sits as an Observer on NIAB Board |
| Strategy | Non-performance of The Trust's contractual obligations with other 3rd party organisations | Monitoring of NIAB's performance against contracts where The Trust is a signing party. Regular interactions with DEFRA in relation to land sales |
| Strategy | NIAB 1996 Pension Scheme | There are legally binding agreements in place between The Trust, NIAB and the Pension Scheme. The March 2021 Triannual valuation and recovery plan has been agreed between the parties. |
| Financial | Failure to generate sufficient cash to support commitments | Regular review of ongoing commitments and reserves policy |

STRUCTURE, GOVERNANCE and MANAGEMENT

Members and Board of Trustees

The members of The Trust are the Trustee/Directors. The Board of Trustees comprises the Chair and up to seven additional trustee directors.

The following Trustees have served during the period:

J A Elliot (Chair)
Dr C W Looker
R Pemberton
R Macdonald CBE
J Godfrey (appointed 16 November 2022)
J W Lewis (resigned 16 November 2022)

Recruitment, induction and training of Trustees

The Trust recruits Trustees with the relevant skillset to support the charity's activities. An induction programme has been put in place for newly appointed Trustees and is kept under review and updated where appropriate.

Organisation and governance

The National Institute of Agricultural Botany was founded by a Deed of Trust dated 13 January 1919 and, up until 31 March 1998 regulated by a scheme made by the Secretary of State for Education and Science under section 18 of the Charities Act 1960. The Institute's registered charity number was 306069.

A new structure was initiated in 1996 and agreed with the Charity Commission from 1 April 1998, which saw the formation of two charities which would operate in tandem. The Trust provide land, facilities and financial support to NIAB who perform the charitable activities. The activities of the unincorporated entity were transferred to a new charitable company on 6th July 2012.

The Trust was incorporated in England and Wales as a company limited by guarantee on 26 October 2011, and is governed by its Memorandum and Articles of Association dated 26 October 2011, and amended 19 July 2013. It is registered as a charity with the Charity Commission (Charity No: 1144528). Its principal operating address is 93 Lawrence Weaver Road, Cambridge, CB3 0LE.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006 and 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 (FRS102) (effective 1 January 2015).

Governance Code

The Trustees will be reviewing the Charity Code of Governance in how best to enhance the organisation's effectiveness.

Fundraising

The Trust carried out no fundraising activity in the year.

Charge

When the structure was changed in 1996, the interests of DEFRA were expressed within a legal charge over certain properties and parcels of land. The original 1996 Debenture was revised in 2007, as a result of negotiations regarding land sales. The fair value of this interest of £4,992k (2022:£4,890k) is detailed in note 20.

Trustee Remuneration

Charity Commission approval has been received to enable The Trust to make payments to Trustees. The Trust provides an honorarium for the Chairman of the Board. In addition to this, a per diem fee is payable to qualifying Trustees. This is subject to regular review.

Decision making and key management

The Board of Directors (Trustees) administer the company and meet quarterly.

The Trust has no employees. To facilitate effective operations, members of the executive within NIAB have delegated authority, within terms of delegation approved by the Trustees, for operational matters.

Liability Insurance

The Trustees have effected liability insurance as permitted by the company's articles. This insurance does not provide cover in the event that a Trustee is proved to have acted fraudulently or dishonestly.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE ANNUAL AUDIT REPORT AND FINANCIAL STATEMENTS

The Trustees (who are also directors of The Trust for the purposes of company law) are responsible for preparing the Trustees Report, incorporating the Strategic Report, and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom general accepted accounting practise (United Kingdom accounting standards and applicable law), including FRS102, the financial reporting standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless that they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP (FRS102);
- make judgments and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

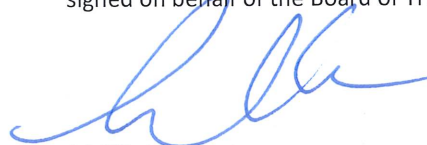
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- So far as each Trustee is aware, there is no relevant audit information of which the auditors are unaware; and
- The Trustees 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 the charitable company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees approve the Trustees' Report, incorporating the Strategic Report, and financial statements which are signed on behalf of the Board of Trustees of The Trust.



J A Elliot, Trustee

Date: 4 December 2023

National Institute of Agricultural Botany Trust

Opinion

We have audited the financial statements of National Institute of Agricultural Botany Trust ('the company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities (incorporating the Summary Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 March 2023 and of its 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 Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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 there is 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.

National Institute of Agricultural Botany Trust

Independent Auditors' Report to the of National Institute of Agricultural Botany Trust (continued)

Opinions 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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

National Institute of Agricultural Botany Trust

Independent Auditors' Report to the of National Institute of Agricultural Botany Trust (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company 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.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

National Institute of Agricultural Botany Trust

Independent Auditors' Report to the of National Institute of Agricultural Botany Trust (continued)

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. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Stickland (Senior statutory auditor)

for and on behalf of

Moore Kingston Smith LLP

Statutory Auditors

9 Appold Street
London
EC1M 7AD

December 2023

National Institute of Agricultural Botany Trust

**Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 March 2023**

| | Note | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Total funds 2023 £000 | <i>Total funds 2022 £000</i> |
|---|------|---------------------------------------|-------------------------------------|--------------------------------|--|
| Income from: | | | | | |
| Charitable activities: | 4 | | | | |
| Other charitable activities | | 742 | - | 742 | 1,498 |
| Investments | 5 | 427 | - | 427 | 291 |
| Total income | | 1,169 | - | 1,169 | 1,789 |
| Expenditure on: | | | | | |
| Charitable activities | 7 | 2,713 | 26 | 2,739 | 5,277 |
| Total expenditure | | 2,713 | 26 | 2,739 | 5,277 |
| Net expenditure before net (losses)/gains on investments | | (1,544) | (26) | (1,570) | (3,488) |
| Net (losses)/gains on investments | | (273) | 114 | (159) | 1,563 |
| Net movement in funds | | (1,817) | 88 | (1,729) | (1,925) |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 50,291 | 5,408 | 55,699 | 57,624 |
| Total funds carried forward | | 48,474 | 5,496 | 53,970 | 55,699 |

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

The notes on pages 17 to 38 form part of these financial statements.

National Institute of Agricultural Botany Trust

Balance Sheet
As at 31 March 2023

| | Note | 2023 £000 | 2022 £000 |
|---|------|--------------|--------------|
| Fixed assets | | | |
| Tangible assets | 12 | 53,212 | 54,353 |
| Investment property | 13 | 15,496 | 23,246 |
| | | 68,708 | 77,599 |
| Current assets | | | |
| Debtors | 14 | 2,914 | 2,009 |
| Cash at bank and in hand | | 10,035 | 1,910 |
| | | 12,949 | 3,919 |
| Creditors: amounts falling due within one year | 15 | (13,250) | (10,423) |
| Net current liabilities | | (301) | (6,504) |
| Total assets less current liabilities | | 68,407 | 71,095 |
| Creditors: amounts falling due after more than one year | 16 | (13,861) | (14,803) |
| Provisions for liabilities | | (576) | (593) |
| Total net assets | | 53,970 | 55,699 |
| Charity funds | | | |
| Restricted funds | 20 | 5,496 | 5,408 |
| Unrestricted funds | 20 | 48,474 | 50,291 |
| Total funds | | 53,970 | 55,699 |

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

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

The financial statements were approved and authorised for issue by the Trustees on 04 December 2023 and signed on their behalf by:


J A Elliot
(Chair of Trustees)

The notes on pages 17 to 38 form part of these financial statements.

National Institute of Agricultural Botany Trust

Statement of Cash Flows
For the Year Ended 31 March 2023

| | 2023 £000 | 2022 £000 |
|---|----------------|----------------|
| Cash flows from operating activities | | |
| Net cash used in operating activities (note 23) | 1,640 | 1,749 |
| Cash flows from investing activities | | |
| Dividends, interests and rents from investments | 427 | 291 |
| Purchase of tangible fixed assets | (49) | (816) |
| Proceeds from sale of investments | 7,677 | 3,690 |
| Interest paid | (70) | (136) |
| Net cash provided by investing activities | 7,985 | 3,029 |
| Cash flows from financing activities | | |
| Repayments of borrowing | (1,500) | (5,000) |
| Net cash used in financing activities | (1,500) | (5,000) |
| Change in cash and cash equivalents in the year | 8,125 | (222) |
| Cash and cash equivalents at the beginning of the year | 1,910 | 2,132 |
| Cash and cash equivalents at the end of the year | 10,035 | 1,910 |

The notes on pages 17 to 38 form part of these financial statements

National Institute of Agricultural Botany Trust

Notes to the Financial Statements For the Year Ended 31 March 2023

1. General information

National Institute of Agricultural Botany Trust is a company limited by guarantee incorporated in England and Wales and a registered charity.

The registered office of the charity is 93 Lawrence Weaver Road, Cambridge, CB3 0LE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within the accounting policies and 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.

National Institute of Agricultural Botany Trust meets the definition of a public benefit entity under FRS 102.

2.2 Going concern

The Trust delivers its charitable objects primarily through its support for NIAB (Charity No: 1064230). The two charities were formed in 1998, following the separation of the National Institute of Agricultural Botany from government in 1996. The Trust holds the charitable assets from the original charitable scheme, and the operational activities were transferred to NIAB. The two charities have continued to work closely and the Trustees continue to believe that NIAB is the best vehicle to deliver the charitable objects of The Trust.

The Trust is a participating employer in the NIAB (1996) Pension Scheme (the 'Scheme') with NIAB. This means that the entire deficit liability of the pension scheme could fall to The Trust, and the assets of The Trust support NIAB's balance sheet in providing the employer covenant, and the recovery payments agreed under the recovery plan.

The Trustees have reviewed the cash flow supporting its own activities for future years. They have also considered the NIAB management projections and cash flow projections to ensure there is sufficient resources within The Trust to be able to fully support its own and NIAB's activities and financial position for the foreseeable future, being at least twelve months from the date of approval of these financial statements.

The Trust's NET current liabilities at 31 March 2023 were £301k (2022: £6,504k).

The Trust has historically held a loan facility with the Trust's bankers, Barclays Bank PLC. The bank have indicated a willingness to renew facilities although the Trust does not currently require this. In addition, further funds would become available, if needed, on the sale of the residential properties

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

2. Accounting policies (continued)

2.2 Going concern (continued)

The Trust has considered the financial position of NIAB and its subsidiaries (together "NIAB Group") and the funding required to support them in the future. The NIAB Group financial position suggests that over the medium term (to 31 March 2025) it is possible that in order to ensure they remain viable The Trust may need to provide short term lending of up to £2m. The Trustees have considered this and have agreed to provide a letter of comfort to NIAB. The Trustees have provided that comfort letter having considered the financial position of The Trust, including its available reserves and ability to borrow against assets, and are satisfied that The Trust can provide that support as and when it is required without having a significant impact on its own ability to continue as a going concern.

The Trustees therefore have a reasonable expectation that The Trust has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements, and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

2.3 Fund accounting

General unrestricted funds

General unrestricted funds represent income which is expendable at the discretion of the Trust in the furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Designated funds

Designated funds are unrestricted funds of the charity which the trustees have decided, at their discretion, to set aside to use for a specific purpose.

Restricted funds

Restricted funds represent grant funded assets which are allocated by the donor for specific purposes and in which the donor maintains a residual interest.

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

2.4 Income

Income has been analysed in accordance with the service provided.

Income from charitable activities:

Incoming resources are recognised, when the charity has entitlement to the funds.

Grant income, whether 'capital' or 'revenue', is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred to a future period by a funder. They are recognised as restricted funds in the statement of financial activities where relevant under the particular terms of the grant.

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

Notes to the Financial Statements
For the Year Ended 31 March 2023

2. Accounting policies (continued)

2.5 Accrued and deferred income

Income within charitable activities, other activities and investment income includes income received under contract or where entitlement to grant funding is subject to specific performance conditions and is recognised as earned (as the related services are provided). This may mean accruing for invoices not yet raised, and deferring payments received in advance of work done.

2.6 Interest receivable

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

2.7 Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Trust to the expenditure. Expenditure is allocated as follows:

Charitable Activities

Expenditure incurred directly in the fulfillment of the objectives of the charity including allocated overheads

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administrative and governance costs which support the objectives of the charity. These costs have been allocated across fundraising and charitable activities. The bases on which support costs have been allocated are set out in note 8.

Governance costs

Expenditure incurred in running and administering the charity which is not directly attributable to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

Notes to the Financial Statements
For the Year Ended 31 March 2023

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation

The charity's policy is to carry all land and buildings at value in use. Depreciation is not provided on freehold land. Assets in the course of construction are carried at cost and not depreciated. On other assets depreciation is provided on cost or revalued amounts in equal annual installments over the estimated lives of the assets.

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 | - between 20 and 60 years |
| Plant and machinery | - 5 to 15 years |
| Fixtures and fittings | - 4 to 10 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of financial activities.

2.9 Investments

Land held for re-sale and properties held to earn rental or for capital appreciation rather than for use in the supply of service are held at fair value. Changes in fair value and gains and losses arising on disposal are recognised in the statement of financial activities and to the appropriate fund holding the investment. No depreciation is provided in respect of land held for re-sale or investment properties.

All gains or losses, whether on revaluation or disposal, are included in "Net losses or gains on investments". Accordingly, the 2022 comparatives of the statement of financial activities has been adjusted to include £43k previously shown as "Disposal of Property".

2.10 Financial instruments

The Charity only has financial assets and financial liabilities which qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.11 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition or the balance sheet date and that are readily convertible to known amounts of cash with insignificant risk of change of value. The cash balance includes funds of £944k relating to the DEFRA redundancy fund.

Notes to the Financial Statements
For the Year Ended 31 March 2023

2. Accounting policies (continued)

2.12 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

2.13 Liabilities

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

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.

2.14 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.

The Charity's functional and presentational currency is GBP

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

3. Critical accounting estimates and areas of judgement

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where those judgements and estimates have been made and the assumptions where there is a significant risk of causing a material adjustment to the carrying amount of assets in the next accounting period include:

Land for re-sale

The Trust has made a significant judgement in revaluing the land held for re-sale at Darwin Green, for which forecasted cash flow receipts, from disposal strategy reports prepared by Bidwells, have been used as a basis for the revaluation (note 13).

The next phase is dependent on planning permission. The Trust believes that the buyer is more likely than not to contract to purchase the remaining portion of land and therefore includes the land held for resale at a valuation based on the expected cashflows discounted by 10%. The rate reflects the risks and uncertainties with the development. The Trust will re-assess both the expected cashflow timings and discount rate used as these move through planning permission.

Residential investment properties

Residential investment properties, for which the Trust receives rental income, are held at Fair value as determined by an annual valuation exercise. These are included at the latest professional valuation carried out by Messrs Strutt & Parker on 22 September 2021 (£8,360k) uplifted by the general increases in local residential property prices as at 31 March 2023 (note 13).

Cost allocation

The cost allocation methodology requires a judgement as to what are the most appropriate bases to use to apportion support costs. These are reviewed annually for reasonableness.

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

4. Income from charitable activities

| | Unrestricted funds 2023 £000 | Total funds 2023 £000 |
|---|---|--|
| Provision of facilities to NIAB | 500 | 500 |
| Provision of facilities to Cambridge University | 242 | 242 |
| Total 2023 | 742 | 742 |

| | <i>Unrestricted funds 2022 £000</i> | <i>Restricted funds 2022 £000</i> | <i>Total funds 2022 £000</i> |
|---|---|---|--|
| Provision of facilities to NIAB | 500 | - | 500 |
| Provision of facilities to Cambridge University | 148 | - | 148 |
| Income from grants for fixed assets | - | 850 | 850 |
| <i>Total 2022</i> | <i>648</i> | <i>850</i> | <i>1,498</i> |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2023

5. Investment income

| | Unrestricted funds 2023 £000 | Total funds 2023 £000 |
|---|---|--|
| Rental income - residential investment properties | 279 | 279 |
| Interest receivable from NIAB | 64 | 64 |
| Bank interest | 84 | 84 |
| Total 2023 | <u>427</u> | <u>427</u> |
| | <i>Unrestricted funds 2022 £000</i> | <i>Total funds 2022 £000</i> |
| Rental income - residential investment properties | 257 | 257 |
| Interest receivable from NIAB | 34 | 34 |
| <i>Total 2022</i> | <u>291</u> | <u>291</u> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

6. Analysis of grants

| | Grants to Institutions 2023 £000 | Total funds 2023 £000 |
|---------------|---|--|
| Grant to NIAB | 1,050 | 1,050 |

| | <i>Grants to Institutions 2022 £000</i> | <i>Total funds 2022 £000</i> |
|---------------|---|--|
| Grant to NIAB | 3,100 | 3,100 |

The Charity has made the following material grants to institutions during the year:

| | 2023 £000 | <i>2022 £000</i> |
|---|----------------------|----------------------|
| Name of institution | | |
| NIAB - to fund research | 1,000 | 1,000 |
| NIAB - contribution to pension fund deficit through to 2024 | - | 1,500 |
| NIAB - facility improvement | - | 600 |
| NIAB - new accounting system | 50 | - |
| | 1,050 | 3,100 |
| | 1,050 | 3,100 |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

7. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Total 2023 £000 |
|-------------------------|---|---|--------------------------------|
| Grants to NIAB (note 6) | 1,050 | - | 1,050 |
| Administration fees | 125 | - | 125 |
| Legal & Professional | 166 | - | 166 |
| Property costs | 132 | - | 132 |
| Interest paid | 70 | - | 70 |
| Other costs | 6 | - | 6 |
| Depreciation | 1,164 | 26 | 1,190 |
| | <hr/> 2,713 <hr/> | <hr/> 26 <hr/> | <hr/> 2,739 <hr/> |

| | <i>Unrestricted funds 2022 £000</i> | <i>Restricted funds 2022 £000</i> | <i>Total 2022 £000</i> |
|-------------------------|---|---|--------------------------------|
| Grants to NIAB (note 6) | 3,100 | - | 3,100 |
| Administration fees | 125 | - | 125 |
| Legal & professional | 70 | - | 70 |
| Property costs | 96 | - | 96 |
| Provision of facilities | 572 | - | 572 |
| Interest paid | 136 | - | 136 |
| Other costs | 10 | - | 10 |
| Depreciation | 1,142 | 26 | 1,168 |
| | <hr/> 5,251 <hr/> | <hr/> 26 <hr/> | <hr/> 5,277 <hr/> |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2023

8. Analysis of expenditure by activities

| | Property 2023 £000 | Grant funding 2023 £000 | Support costs 2023 £000 | Total funds 2023 £000 |
|-------------------------|--------------------------|-------------------------------|-------------------------------|--------------------------------|
| Grants to NIAB (note 6) | - | 1,050 | - | 1,050 |
| Administration fees | 50 | - | 75 | 125 |
| Legal & professional | 151 | - | 15 | 166 |
| Property costs | 132 | - | - | 132 |
| Interest paid | - | - | 70 | 70 |
| Other costs | - | - | 6 | 6 |
| Depreciation | 1,190 | - | - | 1,190 |
| | <u>1,523</u> | <u>1,050</u> | <u>166</u> | <u>2,739</u> |

| | Property 2022 £000 | Grant funding 2022 £000 | Support costs 2022 £000 | Total funds 2022 £000 |
|-------------------------|--------------------------|-------------------------------|-------------------------------|--------------------------------|
| Grants to NIAB (note 6) | - | 3,100 | - | 3,100 |
| Administration fees | 50 | - | 75 | 125 |
| Legal & professional | 57 | - | 13 | 70 |
| Property costs | 96 | - | - | 96 |
| Provision of facilities | 572 | - | - | 572 |
| Interest paid | - | - | 136 | 136 |
| Other costs | - | - | 10 | 10 |
| Depreciation | 1,168 | - | - | 1,168 |
| | <u>1,943</u> | <u>3,100</u> | <u>234</u> | <u>5,277</u> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

9. Auditors' remuneration

| | 2023 | <i>2022</i> |
|---|--------------|--------------|
| | £000 | <i>£000</i> |
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts | 14 | <i>10</i> |
| Fees payable to the Charity's auditor in respect of: Additional fees in respect of previous year audit | - | <i>3</i> |
| | ===== | <i>=====</i> |

10. Taxation

The Trust is a registered charity and is thus exempt from tax on income and capital gains falling within section 505 of the Income and Corporation Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

No deferred tax liabilities have been recognised for assets held at fair value.

11. Trustees' remuneration and expenses

There were 5 serving Trustees during the year (2022 - 5). During the year three Trustees were paid honorariums or *per diem* fees totaling £5,200 (2022- 3 trustees £9,200).

During the year, expenses totaling £240 were reimbursed or paid directly to 3 Trustees (2022: - £1,563 to 3 Trustees). This principally reflects reimbursed travelling expenses incurred in attending meetings.

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2023

12. Tangible fixed assets

| | Freehold property £000 | Plant and machinery £000 | Fixtures and fittings £000 | Total £000 |
|--------------------------|------------------------------|--------------------------------|----------------------------------|----------------------|
| Cost or valuation | | | | |
| At 1 April 2022 | 59,011 | 421 | 380 | 59,812 |
| Additions | 49 | - | - | 49 |
| Disposals | - | (169) | (380) | (549) |
| At 31 March 2023 | <u>59,060</u> | <u>252</u> | <u>-</u> | <u>59,312</u> |
| Depreciation | | | | |
| At 1 April 2022 | 4,742 | 337 | 380 | 5,459 |
| Charge for the year | 1,178 | 12 | - | 1,190 |
| On disposals | - | (169) | (380) | (549) |
| At 31 March 2023 | <u>5,920</u> | <u>180</u> | <u>-</u> | <u>6,100</u> |
| Net book value | | | | |
| At 31 March 2023 | <u><u>53,140</u></u> | <u><u>72</u></u> | <u><u>-</u></u> | <u><u>53,212</u></u> |
| At 31 March 2022 | <u><u>54,269</u></u> | <u><u>84</u></u> | <u><u>-</u></u> | <u><u>54,353</u></u> |

Freehold property includes NIAB's headquarters building (which includes the Crop Science Centre) and the buildings and glasshouses at Park Farm.

Building costs are held as "Assets in the course of construction" until completed when they are transferred to the relevant asset class.

As stated in the accounting policy (note 2), the Trust carries land and freehold buildings at value in use.

When the new structure was initiated in 1998 (see "Background" in the Trustees' Report), the interests of DEFRA were expressed within a legal charge over certain properties and parcels of land. This interest amounts to £1,455k of the cost of the land and buildings.

The carrying amount under the cost model of the assets which have been revalued would have been £NIL (2022 - £NIL).

The charity's bankers have a legal charge secured on certain of the freehold land and buildings.

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

13. Investment property

| | Freehold residential investment property £000 | Land held for resale £000 | Total £000 |
|---------------------|---|---------------------------------|---------------|
| Valuation | | | |
| At 1 April 2022 | 9,060 | 14,186 | 23,246 |
| Disposals | - | (7,677) | (7,677) |
| Gain on revaluation | 303 | (376) | (73) |
| At 31 March 2023 | <u>9,363</u> | <u>6,133</u> | <u>15,496</u> |

The Trustees have reviewed the market value of the Trust's freehold investments at 31 March 2023.

The residential investment properties are included at £9,363k (2022: £9,060k) based upon a valuation carried out by Messrs Strutt & Parker on 22 September 2021 (£8,360k) uplifted by the general increases in local residential property prices as at 31 March 2023. DEFRA has an interest of £3,483k in the investment properties (see note 20).

The Trustees have valued the land held for re-sale at £6,133k (2022: £14,186k) based upon a valuation carried out by Savills on 31 March 2018. The valuation is based on projected future cash flows, which have been discounted to the net present value at a rate of 10%. The rate of 10% reflects an the risk factor associated with the sale.

14. Debtors

| | 2023 £000 | 2022 £000 |
|--------------------------------|--------------|--------------|
| Trade debtors | 150 | 150 |
| Amount due from NIAB ** | 2,480 | 1,648 |
| Other debtors | 155 | 162 |
| Prepayments and accrued income | 11 | 11 |
| Tax recoverable | 118 | 38 |
| | <u>2,914</u> | <u>2,009</u> |

A loan to NIAB of £1.5m included above ** is scheduled to be repaid in full by 8 February 2026 (see note 27).

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

15. Creditors: Amounts falling due within one year

| | 2023 | <i>2022</i> |
|------------------------------|---------------|---------------|
| | £000 | <i>£000</i> |
| Bank loans | - | 1,500 |
| Trade creditors | 55 | 11 |
| Other creditors | 12,538 | 8,106 |
| Accruals and deferred income | 657 | 806 |
| | 13,250 | <i>10,423</i> |
| | 13,250 | <i>10,423</i> |

Bank loans - Barclays Bank Plc made available a revolving loan facility of up to £9,700k at an interest rate of 1.5% above LIBOR (from January 2022 this changed to Bank of England Base Rate plus margin). The loan was repaid in September 2022.

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

| | 2023 | <i>2022</i> |
|------------------------------|---------------|---------------|
| | £000 | <i>£000</i> |
| Accruals and deferred income | 13,861 | <i>14,803</i> |
| | 13,861 | <i>14,803</i> |

Deferred income included above of £13,461k (2022: £13,703k) arises from amounts received from the University of Cambridge towards capital expenditure. Similar deferred income of £274k (2022: £274k) is also included in Creditors: Amounts falling due within one year. The total deferred income is £13,735k (2022: £13,977) (note 18).

17. Deferred income

| | 2023 | <i>2022</i> |
|---|---------------|---------------|
| | £000 | <i>£000</i> |
| Deferred income at 1 April 2022 | 13,977 | <i>12,806</i> |
| Resources deferred during the year | - | 1,389 |
| Amounts released from previous periods | (242) | <i>(218)</i> |
| Deferred income at 31 March 2023 | 13,735 | <i>13,977</i> |
| | 13,735 | <i>13,977</i> |

Deferred income arises from amounts received from the University of Cambridge towards capital expenditure on the Cambridge Crop Science Centre and the University Glasshouse (note 17).

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2023

18. Provisions

| | Redundancy Fund £000 |
|------------------|-------------------------------------|
| At 1 April 2022 | 593 |
| Amounts reversed | (17) |
| | <hr/> |
| | 576 |
| | <hr/> <hr/> |

The provision reflects the potential costs of future redundancies of staff employed at 31 March 1996 for their service to that date and is cash backed.

19. Financial instruments

| | 2023 | <i>2022</i> |
|--|---------------|--------------|
| | £000 | <i>£000</i> |
| Financial assets | | |
| Financial assets measured at fair value through income and expenditure | 10,035 | <i>1,910</i> |
| | <hr/> <hr/> | <hr/> <hr/> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

20. Statement of funds

Statement of funds - current year

| | Balance at 1 April 2022 £000 | Income £000 | Expenditure £000 | Gains/ (Losses) £000 | Balance at 31 March 2023 £000 |
|-----------------------------------|------------------------------------|---------------------|-----------------------|----------------------------|-------------------------------------|
| Unrestricted funds | | | | | |
| General Funds | 116 | 1,169 | (2,713) | (273) | (1,701) |
| Fixed asset | 50,175 | - | - | - | 50,175 |
| | <u>50,291</u> | <u>1,169</u> | <u>(2,713)</u> | <u>(273)</u> | <u>48,474</u> |
| Restricted funds | | | | | |
| ERDF | 518 | - | (14) | - | 504 |
| DEFRA Charitable Assets reserve | 1,407 | - | (12) | - | 1,395 |
| DEFRA Investment Property reserve | 3,483 | - | - | 114 | 3,597 |
| | <u>5,408</u> | <u>-</u> | <u>(26)</u> | <u>114</u> | <u>5,496</u> |
| Total of funds | <u><u>55,699</u></u> | <u><u>1,169</u></u> | <u><u>(2,739)</u></u> | <u><u>(159)</u></u> | <u><u>53,970</u></u> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

20. Statement of funds (continued)

Statement of funds - prior year

| | <i>Balance at 1 April 2021 £000</i> | <i>Income £000</i> | <i>Expenditure £000</i> | <i>Transfers in/out £000</i> | <i>Gains/ (Losses) £000</i> | <i>Balance at 31 March 2022 £000</i> |
|-----------------------------------|---|------------------------|-----------------------------|--------------------------------------|-------------------------------------|--|
| Unrestricted funds | | | | | | |
| General Funds | 2,278 | 939 | (5,251) | 850 | 1,300 | 116 |
| Fixed asset | 50,175 | - | - | - | - | 50,175 |
| | <u>52,453</u> | <u>939</u> | <u>(5,251)</u> | <u>850</u> | <u>1,300</u> | <u>50,291</u> |
| Restricted funds | | | | | | |
| ERDF | 532 | - | (14) | - | - | 518 |
| DEFRA Charitable Assets reserve | 1,419 | - | (12) | - | - | 1,407 |
| DEFRA Investment Property reserve | 3,220 | - | - | - | 263 | 3,483 |
| Capital asset grants | - | 850 | - | (850) | - | - |
| | <u>5,171</u> | <u>850</u> | <u>(26)</u> | <u>(850)</u> | <u>263</u> | <u>5,408</u> |
| Total of funds | <u><u>57,624</u></u> | <u><u>1,789</u></u> | <u><u>(5,277)</u></u> | <u><u>-</u></u> | <u><u>1,563</u></u> | <u><u>55,699</u></u> |

The ERDF restricted fund relates to a capital grant for the Sophi Taylor Building and associated glasshouse facilities. The funds will be written off over the relevant reporting period.

DEFRA have an interest in a proportion of the Charitable Assets, which is secured by a legal charge. The DEFRA Charitable Assets reserves £1,395k (2022: £1,407k) reflects the fair value of this interest, should the Trust dispose of their estate. The DEFRA Investment Property reserve reflects the fair value of the interest in investment properties of £3,597k (2022: £3,483k).

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2023

21. Summary of funds

Summary of funds - current year

| | Balance at 1 April 2022 £000 | Income £000 | Expenditure £000 | Gains/ (Losses) £000 | Balance at 31 March 2023 £000 |
|------------------|------------------------------------|----------------|---------------------|----------------------------|-------------------------------------|
| General funds | 50,291 | 1,169 | (2,713) | (273) | 48,474 |
| Restricted funds | 5,408 | - | (26) | 114 | 5,496 |
| | <u>55,699</u> | <u>1,169</u> | <u>(2,739)</u> | <u>(159)</u> | <u>53,970</u> |

Summary of funds - prior year

| | <i>Balance at 1 April 2021 £000</i> | <i>Income £000</i> | <i>Expenditure £000</i> | <i>Transfers in/out £000</i> | <i>Gains/ (Losses) £000</i> | <i>Balance at 31 March 2022 £000</i> |
|------------------|---|------------------------|-----------------------------|--------------------------------------|-------------------------------------|--|
| General funds | 52,453 | 939 | (5,251) | 850 | 1,300 | 50,291 |
| Restricted funds | 5,171 | 850 | (26) | (850) | 263 | 5,408 |
| | <u>57,624</u> | <u>1,789</u> | <u>(5,277)</u> | <u>-</u> | <u>1,563</u> | <u>55,699</u> |

22. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2023 £000 | Restricted funds 2023 £000 | Total funds 2023 £000 |
|--|---------------------------------------|-------------------------------------|--------------------------------|
| Tangible fixed assets | 51,313 | 1,899 | 53,212 |
| Investment property | 11,899 | 3,597 | 15,496 |
| Current assets | 12,949 | - | 12,949 |
| Creditors due within one year | (13,250) | - | (13,250) |
| Creditors due in more than one year | (13,861) | - | (13,861) |
| Provisions for liabilities and charges | (576) | - | (576) |
| Total | <u>48,474</u> | <u>5,496</u> | <u>53,970</u> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

| | <i>Unrestricted funds 2022 £000</i> | <i>Restricted funds 2022 £000</i> | <i>Total funds 2022 £000</i> |
|--|---|---|--|
| Tangible fixed assets | 52,428 | 1,925 | 54,353 |
| Investment property | 19,763 | 3,483 | 23,246 |
| Current assets | 3,919 | - | 3,919 |
| Creditors due within one year | (10,423) | - | (10,423) |
| Creditors due in more than one year | (14,803) | - | (14,803) |
| Provisions for liabilities and charges | (593) | - | (593) |
| Total | <u>50,291</u> | <u>5,408</u> | <u>55,699</u> |

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

| | 2023 £000 | <i>2022 £000</i> |
|---|----------------------|----------------------|
| Net expenditure for the year (as per Statement of Financial Activities) | (1,729) | <i>(1,925)</i> |
| Adjustments for: | | |
| Depreciation charges | 1,190 | <i>1,168</i> |
| (Losses)/Gains on land for resale | 376 | <i>(820)</i> |
| Interest paid | 70 | <i>136</i> |
| (Gains) on revaluation of investment properties | (303) | <i>(700)</i> |
| Decrease/(increase) in debtors | (905) | <i>1,762</i> |
| Increase in creditors | 3,368 | <i>2,419</i> |
| Investment income | (427) | <i>(291)</i> |
| Net cash provided by operating activities | <u>1,640</u> | <u><i>1,749</i></u> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2023**

24. Analysis of cash and cash equivalents

| | 2023 | <i>2022</i> |
|--|---------------|--------------|
| | £000 | <i>£000</i> |
| Cash in hand | 10,035 | 1,910 |
| Total cash and cash equivalents | 10,035 | <i>1,910</i> |

25. Analysis of changes in net debt

| | At 1 April 2022 | Cash flows | | At 31 March 2023 |
|--------------------------|----------------------------|-------------------|--|-----------------------------|
| | £000 | £000 | | £000 |
| Cash at bank and in hand | 1,910 | 8,125 | | 10,035 |
| Debt due within 1 year | (1,500) | 1,500 | | - |
| | 410 | 9,625 | | 10,035 |

26. Contingent liabilities

In the past certain purchases of land and buildings were partly or wholly financed by a capital grant received from DEFRA. It is a condition of such grants that, in the event of the property being sold, the net sale proceeds will be apportioned between the Trust and DEFRA based upon their respective contributions to the original purchase price, and an allocation of agreed deductible costs incurred since the original acquisition. The Trustees have disclosed the DEFRA interest of £1,395k in charitable assets and £3,597k in investment properties (totaling £4,992k) within note 20.

National Institute of Agricultural Botany Trust

Notes to the Financial Statements For the Year Ended 31 March 2023

27. Related party transactions

The National Institute of Agricultural Botany Trust has an object to support NIAB. A facilities charge is made for the occupation of the land and buildings owned by the Trust. The Trust receives an invoice from NIAB relating to the provision of support through a Research Funding Agreement between the two parties. These transactions will be represented by both cash and non-cash, due to accruals made for activities at the end of the financial year.

Transactions during the year relate to receipt of a facilities charge, and expenditure on research contracts conducted by NIAB. No charge is made with respect to the Sophi Taylor Building.

These transactions are summarised below:

| | 2023 | <i>2022</i> |
|--------------------------------------|----------------|----------------|
| | £000 | <i>£000</i> |
| Income - facilities provision | - | <i>500</i> |
| Support grant | (1,000) | <i>(1,000)</i> |
| Provision of administration services | (125) | <i>(125)</i> |
| Pension fund support | - | <i>(1,500)</i> |
| Support for new accounting system | (50) | <i>-</i> |
| Facility improvements | - | <i>(600)</i> |
| Closing debtor | 980 | <i>151</i> |

NIAB has an option to take an interest free loan from National Institute of Agricultural Botany Trust, secured by a first fixed and floating charge on its assets.

The National Institute of Agricultural Botany Trust provided a loan of £1,500,000 to NIAB EMR. The loan was transferred to NIAB on 1 April 2021 when NIAB acquired the business of NIAB EMR. The loan is secured by a first fixed and floating charge on the assets of NIAB and, while there is no fixed repayment timetable, it is repayable by 8 February 2026. Interest is charged at 2% above the Bank of England base rate, which is considered to be market value.

28. Related undertaking

The Trust has an objective to support NIAB (a company limited by guarantee) and delivers its charitable aims through this associated company. Copies of the NIAB accounts are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

NATIONAL INSTITUTE OF AGRICULTURAL BOTANY TRUST

England & Wales - Charity number 1144528

Accounts

National Institute of Agricultural Botany Trust

Trustees' Report and Financial Statements

For the Year Ended 31 March 2022

National Institute of Agricultural Botany Trust

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National Institute of Agricultural Botany Trust

**Reference and Administrative Details of the Charity, its Trustees and Advisers
For the Year Ended 31 March 2022**

| | |
|----------------------------------|---|
| Trustees | J W Lewis, Chairman Dr C W Looker R Pemberton J A Elliot R A Macdonald |
| Company registered number | 7823588 |
| Charity registered number | 1144528 |
| Registered office | 93 Lawrence Weaver Road Cambridge CB3 0LE |
| Company secretary | Dr J McKee |
| Independent auditors | Moore Kingston Smith LLP Statutory Auditors 9 Appold Street London EC1M 7AD |
| Bankers | Barclays Bank plc 1 Churchill Place Canary Wharf London E14 5HP |
| Solicitors | Birketts LLP 22 Station Road Cambridge CB1 2JD Ashton KCJ Chequers House 77-81 Newmarket Road Cambridge CB5 8EU |
| Property | Bidwells Trumpington Road Cambridge CB2 2LD St Andrews Bureau 18 Mill Road Cambridge CB1 2AD |

National Institute of Agricultural Botany Trust

**Reference and Administrative Details of the Charity, its Trustees and Advisers (continued)
For the Year Ended 31 March 2022**

Strutt and Parker
66-68 Hills Road
Cambridge
CB2 1LA

Carter Jonas LLP
One Station Square
Cambridge
CB1 2GA

Savills
132-134 Hills Road
Cambridge
CB2 8PA

TRUSTEES' REPORT INCORPORATING THE STRATEGIC REPORT

**The Trustees note with great sadness the passing of our Patron,
Her Majesty Queen Elizabeth II on the 8th September 2022**

**Her Majesty took a keen interest in the work of NIAB, most recently spending time
with us to mark the occasion of our organisation's Centenary in 2019**

STRATEGIC REPORT

Background

The National Institute of Agricultural Botany (NIAB) was founded by Deed of Trust in 1919. It was regulated by a scheme made by the Secretary of State for Education and Science until 1998, when a new structure was agreed which saw the formation of two charities which would operate in tandem. The National Institute of Agricultural Botany Trust (The Trust) provides land, facilities and financial support to NIAB, which The Trust determine is the preferred vehicle to deliver its charitable objectives. The activities of the unincorporated trust were transferred to a new charitable company of the same name in 2012.

Mission and Vision

The specific objects of The Trust are the promotion of agriculture, horticulture and arboriculture anywhere in the world by charitable means, including the provision of support to NIAB. (Charity No. 1064230).

NIAB's mission is to support independent science-based research and information to support, develop and promote agriculture and horticulture; helping the industry to fulfil its potential in supplying food and renewable resources, while respecting the natural environment.

NIAB's vision is to connect the science base and industry by providing an integrated research and knowledge transfer hub for the entire crop improvement pipeline.

Strategy

The strategy of The Trust is to support NIAB through the provision of land, facilities and finance for investment in scientific research. The current focus is on the provision of

facilities, and in recent years The Trust has embarked on a programme of land sales and the renewal of the facilities which NIAB occupies.

In recent years, the focus has been on the completion of state of the art research facilities, creating a Crop Science Campus on the outskirts of Cambridge.

The successful completion of a programme of re-investment has provided a new HQ Building off Lawrence Weaver Road, as well as the augmentation of facilities at the Park Farm Site.

These facilities will underpin crop science research, globally supporting the activities of NIAB, including the partnership with Cambridge University, the Crop Science Centre.

Public Benefit

The Trust provides facilities, research funding and other support to NIAB, which has underpinned the provision of independent science-based research and information to agriculture. The Trust seeks to:

- advance science for public benefit, primarily through the provision of funding and facilities to NIAB;
- support the transfer of plant science into practice, through the support provided to NIAB Innovation Farm and the Crop Science Centre which will foster the translation of fundamental research into crop pre-breeding activities, and provide a forum for plant breeders and crop protection industries to address key bottlenecks in crop genetic diversity and resource use at the field scale; and
- promote agriculture, horticulture and arboriculture anywhere in the world by such

charitable means as the Directors shall determine. NIAB's research has global reach, and through a number of partnerships, addresses issues in agriculture in developing countries as well as in the developed world.

The Trustees are satisfied they have complied with their duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. Based on this guidance, and as described in this Trustees' report, the Trustees believe the activities of The Trust to be charitable in nature.

Performance

Our performance against our 2021/22 objectives are highlighted in the table below:

| Objectives | Performance |
|---|---|
| Manage sale of properties held for sale and ensure cash flow remains strong and with ongoing ability to support NIAB.. | Sales of properties continues to complete on schedule. The final payment in relation to the sale of land to the developers of Darwin Green 1 was received in July 2022 |
| With NIAB, agree with Trustees of the NIAB 1996 Pension Scheme the recovery plan following the triennial valuation as at 31 March 2021. | The 2021 valuation has been submitted to The Pensions Regulator for approval |
| Provision of facilities, research funding and covenant support to NIAB. | <p>The Trust continues to support NIAB in the provision of facilities and research funding. The site development activities have provided new and replacement facilities which will underpin the delivery of charitable activities for the foreseeable future.</p> <p>The Trust is providing covenant support in respect of the NIAB Pension Scheme deficit as it is now a participating employer in the scheme and therefore stands beside NIAB.</p> |

Objectives for 2022/23

The Trust will address the following objectives in the forthcoming year:-

- Secure a beneficial value for the next phase of the Darwin Green Land
- Identify further land development opportunities
- Provision of facilities, research funding and covenant support to NIAB.

FINANCIAL REVIEW

Income

The total incoming resources for the year were £1,832k (2021: £4,108k). The income for 2022 includes a grant of £ 850k towards the building of new facilities and the remainder is derived from charges for the use of The Trust's charitable assets, as well as investment income and other activities. Other funding sources include realised proceeds from sale of surplus assets from property developers.

Expenditure

The total outgoing expenditure totalled £ 5,277k (2021: £3,025k) made up as follows:

| | 2022 £'000 | 2021 £'000 |
|--|---------------------|---------------------|
| Research funding to NIAB | 1,000 | 1,000 |
| Support to NIAB in respect of the Pension Scheme | 1,500 | 500 |
| Donation to NIAB to fund asset acquisition | 600 | - |
| Site development costs | 572 | - |
| Administrative costs | 125 | 125 |
| Bank and other interest | 136 | 179 |
| Professional fees | 57 | 25 |
| Other | 119 | 117 |
| Depreciation | <u>1,168</u> | <u>1,079</u> |
| Total | <u>5,277</u> | <u>3,025</u> |

Capital Expenditure

The charity funded the capital purchases from unrestricted reserves. Capital additions for the year total £ 816k (2021: £3,639k). A significant portion of the year's capital purchase was funded by a contribution from the Cambridge and Peterborough Combined Authority.

Business Review and key performance indicators

The following financial indicators have been reviewed:

| | 2022 £'000 | 2021 £'000 |
|-------------------------|---------------|---------------|
| Charitable Expenditure | 5,277 | 3,025 |
| Income from Investments | 291 | 265 |
| Support Costs | 366 | 357 |

The Charitable Expenditure is a measure of the facilities and research funding provided to NIAB. The Trustees have considered how they can best demonstrate the impact of this funding and how it can be measured.

Investment Policy

Land

Surplus land assets, which together with other parties surplus land, are subject to a Consortium Promotion Agreement and will be disposed of in due course. The Trustees will seek to obtain the maximum sale proceeds available.

Redundancy Fund

Capital sums are held separately in respect of the NIAB Redundancy Fund. This fund was established to provide for the redundancy costs associated with staff in post as at 31 March 1996. Interest on capital is refunded to Defra, together with repayment of capital when staff leave NIAB through retirement/resignation. Sums relating to this fund are disclosed in note 19. The capital sum relating to the 1996 provision at 31 March 2022 was £593k (2021: £757k).

Going Concern

The Trust delivers its charitable objects primarily through its support for NIAB (Charity No: 1064230). The two charities were formed in 1998, following the separation of the National Institute of Agricultural Botany from government in 1996. The Trust holds the charitable assets from the original charitable scheme, and the operational activities were transferred to NIAB. The two charities have continued to work closely, the Trustees continue to believe that NIAB is the best vehicle to deliver the charitable objects of The Trust.

When the new legal structure was finalised in 1998, NIAB became the sponsoring employer of a defined benefit pension scheme, the NIAB (1996) Pension Scheme (the 'Scheme').

The Scheme was established in 1996 following NIAB's separation from government and establishment as a not-for-profit. NIAB has taken steps to manage the Scheme deficit, closing the Scheme to new members in 2001 and to future accrual in 2007. The current Scheme deficit is £17,405k (2021: £19,225k), which moves the NIAB group balance sheet to a deficit of £588k (2021: deficit £12,474k), and the charity only balance sheet into a deficit of £3,390k (2021: deficit £15,025k).

The Trust is a participating employer in the Scheme with NIAB. This means that the entire deficit liability of the pension scheme could fall to The Trust, and the assets of The Trust support NIAB's balance sheet in providing the employer covenant, and the recovery payments agreed under the recovery plan.

The Trustees have reviewed the cash flow supporting its own activities for the next four years. It has also considered the NIAB management projections and cash flow projections to ensure there is sufficient resources within The Trust to be able to fully support its own and NIAB's activities and financial position for the foreseeable future, being at least twelve

months from the date of approval of these financial statements.

The Trust's NET current liabilities at 31 March 2022 were £6,504k (2021: £8,351k). Included in its creditors were the following:

| | |
|---|-------|
| Barclays Bank revolving loan (now repaid) | £1.5m |
| DEFRA share of sale of surplus assets | £7.6m |

Proceeds from sale of surplus land to developers of £12.1m was received in July 2022 of which 35% is due to DEFRA in addition to the amount shown above.

The Trust's bankers, Barclays Bank PLC, have indicated a willingness to renew facilities. In addition, further funds would become available, if needed, on the sale of the residential properties.

The Trust has considered the financial position of NIAB and its subsidiaries (together "NIAB Group") and the funding required to support them in the future. The NIAB Group financial position suggests that over the medium term (to 31 March 2024) it is possible that in order to ensure they remain viable The Trust may need to provide short term lending of up to £2m. The Trustees have considered this and have agreed to provide a letter of comfort to NIAB. The Trustees have provided that comfort letter having considered the financial position of The Trust, including its available reserves and ability to borrow against assets, and are satisfied that The Trust can provide that support as and when it is required without having a significant impact on its own ability to continue as a going concern.

The Trustees therefore have a reasonable expectation that The Trust has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements, and are not aware of any other material

uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

Reserves Policy

The Trustees have reviewed the reserves of The Trust. There has been considerable cost associated with making the land available for development. Whilst free reserves are currently negative that position will be resolved with the planned disposal of further land assets. The Trustees deem the current level of reserves as appropriate given their current commitments.

The Trustees will re-consider their reserves policy in conjunction with the allocation of proceeds from land sale and longer term asset finance. The Trustees will seek to balance the aim of maintaining the value of its total reserves position with their desire to provide to NIAB continuing annual funding for research initiatives and support.

The Trust had total reserves of £55,699k at the balance sheet date of which £5,408k is restricted and £50,291k is unrestricted.

Accounting Period

The Trustees present their report and the financial statements for the year ended 31 March 2022. The company's year end (Accounting Reference Date) has been amended to 28 March, although the financial statements continue to be prepared to 31 March as permitted by section 390(3) of the Companies Act 2006.

RISK ASSESSMENT AND MANAGEMENT

The Board of Trustees is responsible for ensuring there are effective and adequate risk management and internal control systems in place to manage the major risks to which the Charity is exposed. The Board reviews the risk register at each meeting.

Principal Risks and Uncertainties

| Risk Area | Risk | Management |
|-------------------|---|---|
| Compliance | Performance of contractual obligations with third parties | Clear delegation to NIAB for management of key projects and contracts, with regular reporting back to the Trustees |
| Strategy | Failure to generate income from the asset base | Day to day management delegated to NIAB COO who reports to both The Trust and NIAB regarding project progress and expenditure. The Trust approved all expenditure relating to capital projects. The development programme is supported by legal and professional advisors who report regularly to the project team. Long term cash flow forecasts are reviewed regularly. |
| Strategy | Third Party creating a liability for The Trust and NIAB through financial risk. | Land Sales are dealt with under consortium agreements NIAB group performance regularly monitored and Chair of Trustees sits as an Observer on NIAB Board |
| Strategy | Non-performance of The Trust's contractual obligations with other 3rd party organisations | Monitoring of NIAB's performance against contracts where The Trust is a signing party. Regular interactions with DEFRA in relation to land sales |
| Strategy | NIAB 1996 Pension Scheme | There are legally binding agreements in place between The Trust, NIAB and the Pension Scheme. The March 2021 Triannual valuation and recovery plan has been agreed between the parties and has been submitted to The Pensions Regulator for approval. |
| Financial | Failure to generate sufficient cash to support commitments | Regular review of ongoing commitments and reserves policy |

STRUCTURE, GOVERNANCE and MANAGEMENT

Members and Board of Trustees

The members of The Trust are the Trustee/Directors. The Board of Trustees comprises the Chair and up to seven additional trustee directors.

The Board has established the following sub-committees:

- Finance (1)

The following Trustees have served during the period:

| | | |
|---------------|---|---------|
| J W Lewis | 1 | (Chair) |
| Dr C W Looker | 1 | |
| R Pemberton | | |

| | | |
|-----------------|---|--|
| J A Elliot | 1 | |
| R Macdonald CBE | | |

J W Lewis will retire on 16 November, 2022. J A Elliot will be appointed as Chair on that date.

Recruitment, induction and training of Trustees

The Trust recruits Trustees with the relevant skillset to support the charity's activities. An induction programme has been put in place for newly appointed Trustees and is kept under review and updated where appropriate.

Organisation and governance

The National Institute of Agricultural Botany was founded by a Deed of Trust dated 13 January 1919 and, up until 31 March 1998 regulated by a scheme made by the Secretary of State for Education and Science under section 18 of the Charities Act 1960. The Institute's registered charity number was 306069.

A new structure was initiated in 1996 and agreed with the Charity Commission from 1 April 1998, which saw the formation of two charities which would operate in tandem. The Trust provide land, facilities and financial support to NIAB who perform the charitable activities. The activities of the unincorporated entity were transferred to a new charitable company on 6th July 2012.

The Trust was incorporated in England and Wales as a company limited by guarantee on 26 October 2011, and is governed by its Memorandum and Articles of Association dated 26 October 2011, and amended 19 July 2013. It is registered as a charity with the Charity Commission (Charity No: 1144528). Its principal operating address is 93 Lawrence Weaver Road, Cambridge, CB3 0LE.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006 and 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 (FRS102) (effective 1 January 2015).

Governance Code

The Trustees will be reviewing the Charity Code of Governance in how best to enhance the organisation's effectiveness.

Fundraising

The Trust carried out no fundraising activity in the year.

Charge

When the structure was changed in 1996, the interests of DEFRA were expressed within a legal charge over certain properties and parcels of land. The original 1996 Debenture was revised in 2007, as a result of negotiations regarding land sales. The fair value of this interest (£4,890k) (2021:£4,639k) is detailed in note 20.

Trustee Remuneration

Charity Commission approval has been received to enable The Trust to make payments to Trustees. The Trust provides an honorarium for the Chairman of the Board and the Chairman of the Finance Committee. In addition to this, a per diem fee is payable to qualifying Trustees. This is subject to regular review.

Decision making and key management

The Board of Directors (Trustees) administer the company, and meet quarterly.

The Trust has no employees. To facilitate effective operations, members of the executive within NIAB have delegated authority, within terms of delegation approved by the Trustees, for operational matters.

Liability Insurance

The Trustees have effected liability insurance as permitted by the company's articles. This insurance does not provide cover in the event that a Trustee is proved to have acted fraudulently or dishonestly.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE ANNUAL AUDIT REPORT AND FINANCIAL STATEMENTS

The Trustees (who are also directors of The Trust for the purposes of company law) are responsible for preparing the Trustees Report, incorporating the Strategic Report, and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom general accepted accounting practise (United Kingdom accounting standards and applicable law), including FRS102, the financial reporting standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless that they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP (FRS102);
- make judgments and accounting estimates that are reasonable and prudent; and

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

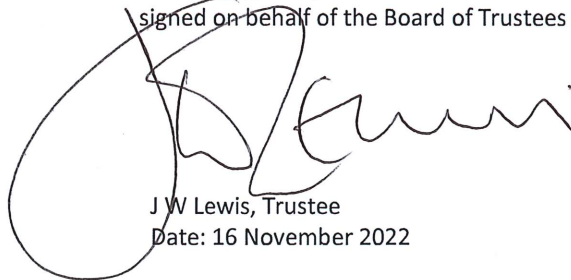
The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- So far as each Trustee is aware, there is no relevant audit information of which the auditors are unaware; and
- The Trustees 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 the charitable company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees approve the Trustees Report, incorporating the Strategic Report, and financial statements which are signed on behalf of the Board of Trustees of The Trust.



J W Lewis, Trustee
Date: 16 November 2022

National Institute of Agricultural Botany Trust

Independent Auditors' Report to the Trustees of National Institute of Agricultural Botany Trust

Opinion

We have audited the financial statements of National Institute of Agricultural Botany Trust ('the company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities (incorporating the Summary Income and Expenditure Account), the Balance Sheet, the Cash Flow Statement and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 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 charitable company's affairs as at 31 March 2022 and of its 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 Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's 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 there is 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.

National Institute of Agricultural Botany Trust

Independent Auditors' Report to the of National Institute of Agricultural Botany Trust (continued)

Opinions 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 strategic report and the trustees' annual report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the trustees' annual report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the trustees' annual report.

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 9, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK) we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the charitable company's internal control.

National Institute of Agricultural Botany Trust

Independent Auditors' Report to the of National Institute of Agricultural Botany Trust (continued)

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charitable company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charitable company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

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 charitable company.

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company 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.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

National Institute of Agricultural Botany Trust

Independent Auditors' Report to the of National Institute of Agricultural Botany Trust (continued)

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. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to any party other than the charitable company and charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Moore Kingston Smith LLP

Andrew Stickland (Senior statutory auditor)

for and on behalf of

Moore Kingston Smith LLP

Statutory Auditors

9 Appold Street
London
EC1M 7AD

24 November 2022

National Institute of Agricultural Botany Trust

**Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 March 2022**

| | Note | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Total funds 2022 £000 | <i>Total funds 2021 £000</i> |
|---|------|---------------------------------------|-------------------------------------|--------------------------------|--|
| Income from: | | | | | |
| Charitable activities: | 4 | | | | |
| Other charitable activities | | 648 | 850 | 1,498 | 3,837 |
| Investments | 5 | 291 | - | 291 | 265 |
| Disposal of property | 6 | 43 | - | 43 | 6 |
| Total income | | 982 | 850 | 1,832 | 4,108 |
| Expenditure on: | | | | | |
| Charitable activities | 8 | 5,251 | 26 | 5,277 | 3,025 |
| Total expenditure | | 5,251 | 26 | 5,277 | 3,025 |
| Net (expenditure)/income before net gains on investments | | (4,269) | 824 | (3,445) | 1,083 |
| Net gains on investments | | 1,257 | 263 | 1,520 | 2,283 |
| Net (expenditure)/income | | (3,012) | 1,087 | (1,925) | 3,366 |
| Transfers between funds | 21 | 850 | (850) | - | - |
| Net movement in funds | | (2,162) | 237 | (1,925) | 3,366 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 52,453 | 5,171 | 57,624 | 54,258 |
| Total funds carried forward | | 50,291 | 5,408 | 55,699 | 57,624 |

The 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.

National Institute of Agricultural Botany Trust

**Balance Sheet
As at 31 March 2022**

| | Note | 2022 £000 | 2021 £000 |
|---|------|----------------|----------------|
| Fixed assets | | | |
| Tangible assets | 13 | 54,353 | 54,705 |
| Investment property | 14 | 23,246 | 25,416 |
| | | 77,599 | 80,121 |
| Current assets | | | |
| Debtors | 15 | 2,009 | 3,771 |
| Cash at bank and in hand | | 1,910 | 2,132 |
| | | 3,919 | 5,903 |
| Creditors: amounts falling due within one year | 16 | (10,423) | (14,254) |
| Net current liabilities | | (6,504) | (8,351) |
| Total assets less current liabilities | | 71,095 | 71,770 |
| Creditors: amounts falling due after more than one year | 17 | (14,803) | (13,389) |
| Provisions for liabilities | | (593) | (757) |
| Total net assets | | 55,699 | 57,624 |

National Institute of Agricultural Botany Trust

Balance Sheet (continued)
As at 31 March 2022

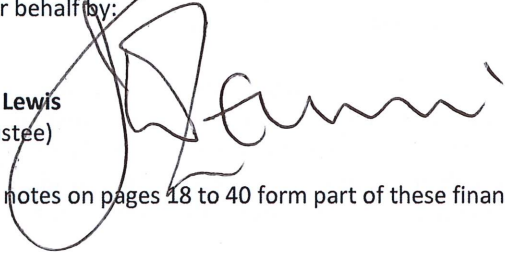
| | Note | 2022 £000 | 2021 £000 |
|----------------------|------|---------------|---------------|
| Charity funds | | | |
| Restricted funds | 21 | 5,408 | 5,171 |
| Unrestricted funds | 21 | 50,291 | 52,453 |
| Total funds | | <u>55,699</u> | <u>57,624</u> |

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 on 16 November 2022 and signed on their behalf by:

J W Lewis
(Trustee)



J A Elliot
(Trustee)



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

National Institute of Agricultural Botany Trust

**Statement of Cash Flows
For the Year Ended 31 March 2022**

| | 2022 | <i>2021</i> |
|--|----------------|----------------|
| | £000 | <i>£000</i> |
| Cash flows from operating activities | | |
| Net cash used in operating activities (note 23) | 1,749 | <i>2,618</i> |
| Cash flows from investing activities | | |
| Dividends, interests and rents from investments | 291 | <i>265</i> |
| Purchase of tangible fixed assets | (816) | <i>(3,639)</i> |
| Proceeds from sale of investments | 3,690 | <i>2,496</i> |
| Interest paid | (136) | <i>(179)</i> |
| Net cash provided by/(used in) investing activities | 3,029 | <i>(1,057)</i> |
| Cash flows from financing activities | | |
| Cash inflows from new borrowing | - | <i>(500)</i> |
| Repayments of borrowing | (5,000) | <i>-</i> |
| Net cash used in financing activities | (5,000) | <i>(500)</i> |
| Change in cash and cash equivalents in the year | (222) | <i>1,061</i> |
| Cash and cash equivalents at the beginning of the year | 2,132 | <i>1,071</i> |
| Cash and cash equivalents at the end of the year | 1,910 | <i>2,132</i> |

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

National Institute of Agricultural Botany Trust

Notes to the Financial Statements For the Year Ended 31 March 2022

1. General information

National Institute of Agricultural Botany Trust is a company limited by guarantee incorporated in England and Wales and a registered charity.

The registered office of the charity is 93 Lawrence Weaver Road, Cambridge, CB3 0LE.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within the accounting policies and 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.

National Institute of Agricultural Botany Trust 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.

2.2 Going concern

The Trust delivers its charitable objects primarily through its support for NIAB (Charity No: 1064230). The two charities were formed in 1998, following the separation of the National Institute of Agricultural Botany from government in 1996. The Trust holds the charitable assets from the original charitable scheme, and the operational activities were transferred to NIAB. The two charities have continued to work closely, the Trustees continue to believe that NIAB is the best vehicle to deliver the charitable objects of the Trust.

When the new legal structure was finalised in 1998, NIAB became the sponsoring employer of a defined benefit pension scheme, the NIAB (1996) Pension Scheme (the 'Scheme').

The Scheme was established in 1996 following NIAB's separation from government and establishment as a not-for-profit. NIAB has taken steps to manage the Scheme deficit, closing the Scheme to new members in 2001 and to future accrual in 2007. The current Scheme deficit is £17,405k (2021: £19,225k), which moves the NIAB group balance sheet to a deficit of £588k (2021: deficit £12,474k), and the charity only balance sheet into a deficit of £3,390k (2021: deficit £15,025k).

The Trust is a participating employer in the Scheme with NIAB. This means that the entire deficit liability of the pension scheme could fall to The Trust, and the assets of The Trust support NIAB's balance sheet in providing the employer covenant, and the recovery payments agreed under the recovery plan.

The Trustees have reviewed the cash flow supporting its own activities for the next four years. It has also considered the NIAB management projections and cash flow projections to ensure there is sufficient resources within The Trust to be able to fully support its own and NIAB's activities and financial position for the foreseeable future, being at least twelve months from the date of approval of these financial statements.

National Institute of Agricultural Botany Trust

Notes to the Financial Statements For the Year Ended 31 March 2022

2. Accounting policies (continued)

2.2 Going concern (continued)

The Trust's NET current liabilities at 31 March 2022 were £6,504k (2021: £8,351k). Included in its creditors were the following:

| | |
|---------------------------------------|-------|
| Barclays Bank revolving loan | £1.5m |
| DEFRA share of sale of surplus assets | £7.6m |

Proceeds from sale of surplus land to developers of £12.1m was received in July 2022 of which 35% is due to DEFRA in addition to the amount shown above.

The Trust's bankers, Barclays Bank PLC, have indicated a willingness to renew facilities. In addition, further funds would become available, if needed, on the sale of the residential properties

The Trust has considered the financial position of NIAB and its subsidiaries (together "NIAB Group") and the funding required to support them in the future. The NIAB Group financial position suggests that over the medium term (to 31 March 2024) it is possible that in order to ensure they remain viable The Trust may need to provide short term lending of up to £2m. The Trustees have considered this and have agreed to provide a letter of comfort to NIAB. The Trustees have provided that comfort letter having considered the financial position of The Trust, including its available reserves and ability to borrow against assets, and are satisfied that The Trust can provide that support as and when it is required without having a significant impact on its own ability to continue as a going concern.

The Trustees therefore have a reasonable expectation that The Trust has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements, and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

2.3 Fund accounting

General unrestricted funds

General unrestricted funds represent income which is expendable at the discretion of the Trust in the furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Designated funds

Designated funds are unrestricted funds of the charity which the trustees have decided, at their discretion, to set aside to use for a specific purpose.

Restricted funds

Restricted funds represent grant funded assets which are allocated by the donor for specific purposes and in which the donor maintains a residual interest.

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

Notes to the Financial Statements
For the Year Ended 31 March 2022

2. Accounting policies (continued)

2.4 Income

Income has been analysed in accordance with the service provided.

Income from charitable activities:

Incoming resources are recognised, when the charity has entitlement to the funds.

Grant income, whether 'capital' or 'revenue', is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred to a future period by a funder. They are recognised as restricted funds in the statement of financial activities where relevant under the particular terms of the grant.

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

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.

2.5 Accrued and deferred income

Income within charitable activities, other activities and investment income includes income received under contract or where entitlement to grant funding is subject to specific performance conditions and is recognised as earned (as the related services are provided). This may mean accruing for invoices not yet raised, and deferring payments received in advance of work done.

2.6 Interest receivable

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

Notes to the Financial Statements
For the Year Ended 31 March 2022

2. Accounting policies (continued)

2.7 Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the Trust to the expenditure. Expenditure is allocated as follows:

Charitable Activities

Expenditure incurred directly in the fulfillment of the objectives of the charity including allocated overheads

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administrative and governance costs which support the objectives of the charity. These costs have been allocated across fundraising and charitable activities. The bases on which support costs have been allocated are set out in note 9.

Governance costs

Expenditure incurred in running and administering the charity which is not directly attributable to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.8 Tangible fixed assets and depreciation

The charity's policy is to carry all land and buildings at value in use. Depreciation is not provided on freehold land. Assets in the course of construction are carried at cost and not depreciated. On other assets depreciation is provided on cost or revalued amounts in equal annual installments over the estimated lives of the assets.

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 | - between 20 and 60 years |
| Plant and machinery | - 5 to 15 years |
| Fixtures and fittings | - 4 to 10 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of financial activities.

2.9 Investments

Land held for re-sale and properties held to earn rental or for capital appreciation rather than for use in the supply of service are held at fair value. Net movements are transferred to the statement of financial activities and to the appropriate fund holding the investment. No depreciation is provided in respect of land held for re-sale or investment properties.

Notes to the Financial Statements
For the Year Ended 31 March 2022

2. Accounting policies (continued)

2.10 Financial instruments

The Charity only has financial assets and financial liabilities which qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.11 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition or the balance sheet date and that are readily convertible to known amounts of cash with insignificant risk of change of value. The cash balance includes funds of £945k relating to the DEFRA redundancy fund.

2.12 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

2.13 Liabilities

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

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.

2.14 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.

The Charity's functional and presentational currency is GBP

Notes to the Financial Statements
For the Year Ended 31 March 2022

3. Critical accounting estimates and areas of judgement

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where those judgements and estimates have been made include:

Land for re-sale

The Trust has made a significant judgement in revaluing the land held for re-sale at Darwin Green, for which forecasted cash flow receipts, from disposal strategy reports prepared by Bidwells, have been used as a basis for the revaluation (note 14).

A purchase contract has been signed for a significant amount of the land holdings and the cash receipts have been received on time and in line with the contract. A further annual receipt was received in July 2022.

The next phase is dependent on planning permission. The Trust believes that the buyer is more likely than not to contract to purchase the remaining portion of land and therefore includes the land held for re-sale at a valuation based on the expected cashflows discounted by 10%. The higher rate reflects the additional risks and uncertainties with these phases of the development. The Trust will re-assess both the expected cashflow timings and discount rate used as these move through planning permission. The Trust recognises that this will likely result in an uplift of the valuation.

Residential investment properties

Residential investment properties, for which the Trust receives rental income, are held at Fair value as determined by an annual valuation exercise. These are included at the latest professional valuation carried out by Messrs Strutt & Parker on 22 September 2021 (£8,360k) uplifted by the general increases in local residential property prices as at 31 March 2022 (note 14).

Cost allocation

The cost allocation methodology requires a judgement as to what are the most appropriate bases to use to apportion support costs. These are reviewed annually for reasonableness.

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

4. Income from charitable activities

| | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Total funds 2022 £000 |
|---|---|---|--|
| Provision of facilities to enable charitable activities to be performed | 648 | - | 648 |
| Income from grants for fixed assets | - | 850 | 850 |
| Total 2022 | 648 | 850 | 1,498 |
| | <i>Unrestricted funds 2021 £000</i> | <i>Restricted funds 2021 £000</i> | <i>Total funds 2021 £000</i> |
| Provision of facilities to enable charitable activities to be performed | 753 | - | 753 |
| Income from grants for fixed assets | - | 3,084 | 3,084 |
| <i>Total 2021</i> | <i>753</i> | <i>3,084</i> | <i>3,837</i> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

5. Investment income

| | Unrestricted funds 2022 £000 | Total funds 2022 £000 |
|---|---|--|
| Rental income - residential investment properties | 257 | 257 |
| Interest receivable from NIAB | 34 | 34 |
| Total 2022 | 291 | 291 |

| | <i>Unrestricted funds 2021 £000</i> | <i>Total funds 2021 £000</i> |
|---|---|--|
| Rental income - residential investment properties | 233 | 233 |
| Interest receivable from NIAB EMR | 32 | 32 |
| <i>Total 2021</i> | <i>265</i> | <i>265</i> |

6. Other incoming resources

| | Unrestricted funds 2022 £000 | Total funds 2022 £000 |
|--|---|--|
| Profit on disposal of land and buildings | 43 | 43 |
| | 43 | 43 |

| | <i>Unrestricted funds 2021 £000</i> | <i>Total funds 2021 £000</i> |
|--|---|--|
| Profit on disposal of land and buildings | 6 | 6 |
| | 6 | 6 |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

7. Analysis of grants

| | Grants to Institutions 2022 £000 | Total funds 2022 £000 |
|--------------------------------------|---|--|
| Grant to NIAB for research funding | 1,000 | 1,000 |
| Grant to NIAB for pension fund | 1,500 | 1,500 |
| Grant to NIAB - facility improvement | 600 | 600 |
| Total 2022 | 3,100 | 3,100 |

| | <i>Grants to Institutions 2021 £000</i> | <i>Total funds 2021 £000</i> |
|------------------------------------|---|--|
| Grant to NIAB for research funding | 1,000 | 1,000 |
| Grant to NIAB for pension fund | 500 | 500 |
| <i>Total 2021</i> | <i>1,500</i> | <i>1,500</i> |

The Charity has made the following material grants to institutions during the year:

| | 2022 £000 | <i>2021 £000</i> |
|---|----------------------|----------------------|
| Name of institution | | |
| NIAB - to fund research | 1,000 | 1,000 |
| NIAB - contribution to pension fund deficit through to 2024 | 1,500 | 500 |
| NIAB - facility improvement | 600 | - |
| | 3,100 | 1,500 |
| | 3,100 | 1,500 |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

8. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Total funds 2022 £000 |
|----------------------------------|---|---|--|
| Provision of facilities | 851 | - | 851 |
| Grants to NIAB | 60 | - | 60 |
| Research funding - grant to NIAB | 1,027 | - | 1,027 |
| Other expenditure | 71 | - | 71 |
| Depreciation | 1,142 | 26 | 1,168 |
| Pension fund donations | 1,500 | - | 1,500 |
| Other donations to NIAB | 600 | - | 600 |
| | <u>5,251</u> | <u>26</u> | <u>5,277</u> |

| | <i>Unrestricted funds 2021 £000</i> | <i>Restricted funds 2021 £000</i> | <i>Total funds 2021 £000</i> |
|----------------------------------|---|---|--|
| Legal and Professional | 303 | - | 303 |
| Provision of facilities | 41 | - | 41 |
| Research funding - grant to NIAB | 1,000 | - | 1,000 |
| Restricted funds | 7 | - | 7 |
| Other expenditure | 89 | - | 89 |
| Depreciation | 1,059 | 26 | 1,085 |
| Pension fund donations | 500 | - | 500 |
| | <u>2,999</u> | <u>26</u> | <u>3,025</u> |

Other expenditure includes an agreement of £1million to pay £200k pa for five years from 2021 to support the costs of two research fellows in Crop Sciences based in the University of Cambridge's Crop Science Centre.

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2022

9. Analysis of expenditure by activities

| | Activities undertaken directly 2022 £000 | Grant funding of activities 2022 £000 | Support costs 2022 £000 | Total funds 2022 £000 |
|-------------------------|--|--|-------------------------------|--------------------------------|
| Provision of facilities | 572 | - | 279 | 851 |
| Provision of facilities | - | - | 60 | 60 |
| Research funding | - | 1,000 | 27 | 1,027 |
| Other expenditure | 71 | - | - | 71 |
| Depreciation | 1,168 | - | - | 1,168 |
| Pension fund donation | - | 1,500 | - | 1,500 |
| Other donations to NIAB | - | 600 | - | 600 |
| | 1,811 | 3,100 | 366 | 5,277 |
| | 1,811 | 3,100 | 366 | 5,277 |

| | Activities undertaken directly 2021 £000 | Grant funding of activities 2021 £000 | Support costs 2021 £000 | Total funds 2021 £000 |
|-------------------------|--|--|-------------------------------|--------------------------------|
| Raising funds | - | - | 303 | 303 |
| Provision of facilities | - | - | 41 | 41 |
| Research funding | - | 1,000 | - | 1,000 |
| Restricted funds | - | - | 7 | 7 |
| Other expenditure | 83 | - | 6 | 89 |
| Depreciation | 1,085 | - | - | 1,085 |
| Pension fund donation | - | 500 | - | 500 |
| | 1,168 | 1,500 | 357 | 3,025 |
| | 1,168 | 1,500 | 357 | 3,025 |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2022

9. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Raising funds 2022 £000 | Provision of facilities 2022 £000 | Research funding 2022 £000 | Other expenditure 2022 £000 |
|-------------------------|--------------------------------------|--|---|--|
| Legal and professional | 119 | 60 | - | - |
| Management | 75 | - | 27 | - |
| Governance costs | 85 | - | - | - |
| | 279 | 60 | 27 | - |
| | 279 | 60 | 27 | - |
| | | | Other expenditure 2022 £000 | Total funds 2022 £000 |
| Legal and professional | | | - | 179 |
| Provision of facilities | | | - | 102 |
| Governance costs | | | - | 85 |
| | | | - | 366 |
| | | | - | 366 |
| | <i>Raising funds</i> 2021 £000 | <i>Provision of</i> <i>facilities</i> 2021 £000 | <i>Research</i> <i>funding</i> 2021 £000 | <i>Other</i> <i>expenditure</i> 2021 £000 |
| Legal and professional | 163 | 41 | - | - |
| Provision of facilities | 78 | - | - | 7 |
| Governance costs | 62 | - | - | - |
| | 303 | 41 | - | 7 |
| <i>Total 2021</i> | 303 | 41 | - | 7 |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2022

9. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

| | <i>Other expenditure 2021 £000</i> | <i>Total funds 2021 £000</i> |
|-------------------------|--|--|
| Legal and professional | - | 204 |
| Provision of facilities | - | 85 |
| Governance costs | 6 | 68 |
| <i>Total 2021</i> | <u>6</u> | <u>357</u> |

10. Auditors' remuneration

| | 2022 £000 | <i>2021 £000</i> |
|---|----------------------|----------------------|
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts | 10 | 10 |
| Fees payable to the Charity's auditor in respect of: Additional fees in respect of previous year audit | 3 | 9 |

11. Taxation

The Trust is a registered charity and is thus exempt from tax on income and capital gains falling within section 505 of the Income and Corporation Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

No deferred tax liabilities have been recognised for assets held at fair value.

12. Trustees' remuneration and expenses

There were five (2021 - seven) serving Trustees during the year. During the year three Trustees were paid honorariums or *per diem* fees totaling £9,200 (2021- five trustees £11,000).

During the year, expenses totaling £1,563 were reimbursed or paid directly to 3 Trustees (2021: - £532 to one Trustee). This principally reflects reimbursed travelling expenses incurred in attending meetings.

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2022

13. Tangible fixed assets

| | Freehold property £000 | Plant and machinery £000 | Fixtures and fittings £000 | Assets in the course of construction £000 | Total £000 |
|---------------------------|------------------------------|--------------------------------|----------------------------------|--|----------------------|
| Cost or valuation | | | | | |
| At 1 April 2021 | 57,617 | 421 | 380 | 578 | 58,996 |
| Additions | - | - | - | 816 | 816 |
| Transfers between classes | 1,394 | - | - | (1,394) | - |
| At 31 March 2022 | <u>59,011</u> | <u>421</u> | <u>380</u> | <u>-</u> | <u>59,812</u> |
| Depreciation | | | | | |
| At 1 April 2021 | 3,585 | 326 | 380 | - | 4,291 |
| Charge for the year | 1,157 | 11 | - | - | 1,168 |
| At 31 March 2022 | <u>4,742</u> | <u>337</u> | <u>380</u> | <u>-</u> | <u>5,459</u> |
| Net book value | | | | | |
| At 31 March 2022 | <u><u>54,269</u></u> | <u><u>84</u></u> | <u><u>-</u></u> | <u><u>-</u></u> | <u><u>54,353</u></u> |
| At 31 March 2021 | <u><u>54,032</u></u> | <u><u>95</u></u> | <u><u>-</u></u> | <u><u>578</u></u> | <u><u>54,705</u></u> |

Freehold property includes NIAB's headquarters building (which includes the Crop Science Centre) and the buildings and glasshouses at Park Farm.

Building costs are held as "Assets in the course of construction" until completed when they are transferred to the relevant asset class.

As stated in the accounting policy (note 2), the Trust carries land and freehold buildings at value in use.

When the new structure was initiated in 1998 (see "Background" in the Trustees' Report), the interests of DEFRA were expressed within a legal charge over certain properties and parcels of land. This interest amounts to £1,455k of the cost of the land and buildings.

The carrying amount under the cost model of the assets which have been revalued would have been £NIL (2021 - £NIL).

The charity's bankers and the University of Cambridge have a legal charge secured on certain of the freehold land and buildings.

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

14. Investment property

| | Freehold residential investment property £000 | Land held for resale £000 | Total £000 |
|---------------------|---|---------------------------------|---------------|
| Valuation | | | |
| At 1 April 2021 | 8,360 | 17,056 | 25,416 |
| Disposals | - | (3,690) | (3,690) |
| Gain on revaluation | 700 | 820 | 1,520 |
| At 31 March 2022 | <u>9,060</u> | <u>14,186</u> | <u>23,246</u> |

The Trustees have reviewed the market value of the Trust's freehold investments at 31 March 2022.

The residential investment properties are included at £9,060k (2021: £8,360k) based upon a valuation carried out by Messrs Strutt & Parker on 22 September 2021 (£8,360k) uplifted by the general increases in local residential property prices as at 31 March 2022. DEFRA has an interest of £3,483k in the investment properties (see note 22).

The Trustees have valued the land held for re-sale at £14,186k (2021: £17,056k) based upon a valuation carried out by Savills on 31 March 2018. The valuation is based on projected future cash flows, which have been discounted to the net present value at a rate of 5%, and 10% for part of the site to be sold under separate agreement. The rate of 5% is representative of the Trust's current rate of debt (2.85%) uplifted for the uncertain timing of projected future cash flows, due to the proposed put and call options on the land. The rate of 10% reflects an additional risk factor associated with the separate sale.

15. Debtors

| | 2022 £000 | 2021 £000 |
|--------------------------------|--------------|--------------|
| Trade debtors | 150 | 826 |
| Amount due from NIAB | 1,648 | 1,501 |
| Other debtors | 162 | 861 |
| Prepayments and accrued income | 11 | 323 |
| Tax recoverable | 38 | 260 |
| | <u>2,009</u> | <u>3,771</u> |

Following the merger of NIAB EMR with NIAB on 1 April 2021, the loan to NIAB EMR (a subsidiary company of NIAB see note 28) is now repayable by NIAB. The loan is scheduled to be repaid in full by 8 February 2026 .

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

16. Creditors: Amounts falling due within one year

| | 2022 | <i>2021</i> |
|------------------------------|---------------|---------------|
| | £000 | <i>£000</i> |
| Sums due to DEFRA | 7,555 | <i>5,569</i> |
| Bank loans | 1,500 | <i>1,500</i> |
| Other loan | - | <i>5,000</i> |
| Trade creditors | 11 | <i>569</i> |
| Other creditors | 551 | <i>748</i> |
| Accruals and deferred income | 806 | <i>868</i> |
| | 10,423 | <i>14,254</i> |

Bank loans - Barclays Bank Plc has made available a revolving loan facility of up to £9,700k at an interest rate of 1.5% above LIBOR (from January 2022 this changed to Bank of England Base Rate plus margin). The loan facility, which expires in November 2022, is secured by a charge over certain land and buildings. The amount of the loan drawn down at the year end was £1,500k (2021: £1,500k). The loan was repaid in October 2022.

Other loan - the University of Cambridge made available a loan of £5,000k at an interest rate of 1.75% above Bank of England base rate, secured by a charge over certain land and buildings. The loan was repaid in September 2021.

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

| | 2022 | <i>2021</i> |
|------------------------------|---------------|---------------|
| | £000 | <i>£000</i> |
| Accruals and deferred income | 14,803 | <i>13,389</i> |

Deferred income included above of £13,703k (2021: £12,589k) arises from amounts received from the University of Cambridge towards capital expenditure. Similar deferred income of £274k (2021: £217k) is also included in Creditors: Amounts falling due within one year. The total deferred income is £13,977k (2021: £12,806) (note 19).

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2022

18. Deferred income

| | 2022 £000 | 2021 £000 |
|---|---------------|---------------|
| Deferred income at 1 April 2021 | 12,806 | 12,740 |
| Resources deferred during the year | 1,389 | 284 |
| Amounts released from previous periods | (218) | (218) |
| Deferred income at 31 March 2022 | 13,977 | 12,806 |

Deferred income arises from amounts received from the University of Cambridge towards capital expenditure on the Cambridge Crop Science Centre and the University Glasshouse (note 18).

19. Provisions

| | Redundancy Fund £000 |
|------------------|----------------------------|
| At 1 April 2021 | 757 |
| Amounts reversed | (164) |
| | 593 |

The provision reflects the potential costs of future redundancies of staff employed at 31 March 1996 for their service to that date and is cash backed.

20. Financial instruments

| | 2022 £000 | 2021 £000 |
|--|--------------|--------------|
| Financial assets | | |
| Financial assets measured at fair value through income and expenditure | 1,910 | 2,132 |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2022

21. Statement of funds

Statement of funds - current year

| | Balance at 1 April 2021 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 March 2022 £000 |
|--------------------------------------|------------------------------------|---------------------|-----------------------|-----------------------------|----------------------------|-------------------------------------|
| Unrestricted funds | | | | | | |
| General Funds | 2,278 | 982 | (5,251) | 850 | 1,257 | 116 |
| Fixed asset | 50,175 | - | - | - | - | 50,175 |
| | <u>52,453</u> | <u>982</u> | <u>(5,251)</u> | <u>850</u> | <u>1,257</u> | <u>50,291</u> |
| Restricted funds | | | | | | |
| ERDF | 532 | - | (14) | - | - | 518 |
| DEFRA Charitable Assets reserve | 1,419 | - | (12) | - | - | 1,407 |
| DEFRA Investment Property reserve | 3,220 | - | - | - | 263 | 3,483 |
| Capital asset grants | - | 850 | - | (850) | - | - |
| | <u>5,171</u> | <u>850</u> | <u>(26)</u> | <u>(850)</u> | <u>263</u> | <u>5,408</u> |
| Total of funds | <u><u>57,624</u></u> | <u><u>1,832</u></u> | <u><u>(5,277)</u></u> | <u><u>-</u></u> | <u><u>1,520</u></u> | <u><u>55,699</u></u> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

21. Statement of funds (continued)

Statement of funds - prior year

| | <i>Balance at 1 April 2020 £000</i> | <i>Income £000</i> | <i>Expenditure £000</i> | <i>Transfers in/out £000</i> | <i>Gains/ (Losses) £000</i> | <i>Balance at 31 March 2021 £000</i> |
|-----------------------------------|---|------------------------|-----------------------------|--------------------------------------|-------------------------------------|--|
| Unrestricted funds | | | | | | |
| General Funds | (387) | 1,024 | (2,999) | 3,084 | 1,556 | 2,278 |
| Fixed asset | 50,175 | - | - | - | - | 50,175 |
| | <u>49,788</u> | <u>1,024</u> | <u>(2,999)</u> | <u>3,084</u> | <u>1,556</u> | <u>52,453</u> |
| Restricted funds | | | | | | |
| ERDF | 546 | - | (14) | - | - | 532 |
| DEFRA Charitable Assets reserve | 1,431 | - | (12) | - | - | 1,419 |
| DEFRA Investment Property reserve | 2,493 | - | - | - | 727 | 3,220 |
| Capital asset grants | - | 3,084 | - | (3,084) | - | - |
| | <u>4,470</u> | <u>3,084</u> | <u>(26)</u> | <u>(3,084)</u> | <u>727</u> | <u>5,171</u> |
| Total of funds | <u><u>54,258</u></u> | <u><u>4,108</u></u> | <u><u>(3,025)</u></u> | <u><u>-</u></u> | <u><u>2,283</u></u> | <u><u>57,624</u></u> |

The ERDF restricted fund relates to a capital grant for the Sophi Taylor Building and associated glasshouse facilities. The funds will be written off over the relevant reporting period.

DEFRA have an interest in a proportion of the Charitable Assets, which is secured by a legal charge. The DEFRA Charitable Assets reserves £1,407k (2021: £1,419k) reflects the fair value of this interest, should the Trust dispose of their estate. The DEFRA Investment Property reserve reflects the fair value of the interest in investment properties of £3,483k (2021: £3,220k).

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2022

22. Summary of funds

Summary of funds - current year

| | Balance at 1 April 2021 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 March 2022 £000 |
|------------------|------------------------------------|----------------|---------------------|-----------------------------|----------------------------|-------------------------------------|
| General funds | 52,453 | 982 | (5,251) | 850 | 1,257 | 50,291 |
| Restricted funds | 5,171 | 850 | (26) | (850) | 263 | 5,408 |
| | <u>57,624</u> | <u>1,832</u> | <u>(5,277)</u> | <u>-</u> | <u>1,520</u> | <u>55,699</u> |

Summary of funds - prior year

| | Balance at 1 April 2020 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 March 2021 £000 |
|------------------|------------------------------------|----------------|---------------------|-----------------------------|----------------------------|--|
| General funds | 49,788 | 1,024 | (2,999) | 3,084 | 1,556 | 52,453 |
| Restricted funds | 4,470 | 3,084 | (26) | (3,084) | 727 | 5,171 |
| | <u>54,258</u> | <u>4,108</u> | <u>(3,025)</u> | <u>-</u> | <u>2,283</u> | <u>57,624</u> |

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2022 £000 | Restricted funds 2022 £000 | Total funds 2022 £000 |
|--|---------------------------------------|-------------------------------------|--------------------------------|
| Tangible fixed assets | 52,428 | 1,925 | 54,353 |
| Investment property | 19,763 | 3,483 | 23,246 |
| Current assets | 3,919 | - | 3,919 |
| Creditors due within one year | (10,423) | - | (10,423) |
| Creditors due in more than one year | (14,803) | - | (14,803) |
| Provisions for liabilities and charges | (593) | - | (593) |
| Total | <u>50,291</u> | <u>5,408</u> | <u>55,699</u> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

23. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior year

| | <i>Unrestricted funds 2021 £000</i> | <i>Restricted funds 2021 £000</i> | <i>Total funds 2021 £000</i> |
|--|---|---|--|
| Tangible fixed assets | 52,754 | 1,951 | 54,705 |
| Investment property | 22,196 | 3,220 | 25,416 |
| Current assets | 5,903 | - | 5,903 |
| Creditors due within one year | (14,254) | - | (14,254) |
| Creditors due in more than one year | (13,389) | - | (13,389) |
| Provisions for liabilities and charges | (757) | - | (757) |
| Total | <u>52,453</u> | <u>5,171</u> | <u>57,624</u> |

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

| | 2022 £000 | <i>2021 £000</i> |
|--|----------------------|----------------------|
| Net income/expenditure for the year (as per Statement of Financial Activities) | (1,925) | 3,366 |
| Adjustments for: | | |
| Depreciation charges | 1,168 | 1,085 |
| Gains on investments | (1,520) | (2,283) |
| Interest paid | 136 | 179 |
| Decrease/(increase) in debtors | 1,762 | (839) |
| Increase in creditors | 2,419 | 1,375 |
| Investment income | (291) | (265) |
| Net cash provided by operating activities | <u>1,749</u> | <u>2,618</u> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2022**

25. Analysis of cash and cash equivalents

| | 2022 | <i>2021</i> |
|--|--------------|--------------|
| | £000 | <i>£000</i> |
| Cash in hand | 1,910 | 2,132 |
| Total cash and cash equivalents | 1,910 | <i>2,132</i> |

26. Analysis of changes in net debt

| | At 1 April 2021 | Cash flows £000 | At 31 March 2022 |
|--------------------------|----------------------------|----------------------------|-----------------------------|
| | £000 | £000 | £000 |
| Cash at bank and in hand | 2,132 | (222) | 1,910 |
| Debt due within 1 year | (12,069) | 3,014 | (9,055) |
| | (9,937) | 2,792 | (7,145) |

27. Contingent liabilities

In the past certain purchases of land and buildings were partly or wholly financed by a capital grant received from DEFRA. It is a condition of such grants that, in the event of the property being sold, the net sale proceeds will be apportioned between the Trust and DEFRA based upon their respective contributions to the original purchase price, and an allocation of agreed deductible costs incurred since the original acquisition. The Trustees have disclosed the DEFRA interest of £1,419k in charitable assets and £3,137k in investment properties (totaling £4,556k) within note 21.

National Institute of Agricultural Botany Trust

Notes to the Financial Statements For the Year Ended 31 March 2022

28. Related party transactions

The National Institute of Agricultural Botany Trust has an object to support NIAB. A facilities charge is made for the occupation of the land and buildings owned by the Trust. The Trust receives an invoice from NIAB relating to the provision of support through a Research Funding Agreement between the two parties. These transactions will be represented by both cash and non-cash, due to accruals made for activities at the end of the financial year.

Transactions during the year relate to receipt of a facilities charge, and expenditure on research contracts conducted by NIAB. No charge is made with respect to the Sophi Taylor Building.

These transactions are summarised below:

| | 2022 | <i>2021</i> |
|--------------------------------------|----------------|----------------|
| | £000 | <i>£000</i> |
| Income - facilities provision | 500 | <i>500</i> |
| Support grant | (1,000) | <i>(1,000)</i> |
| Provision of administration services | (125) | <i>(125)</i> |
| Pension fund support | (1,500) | <i>(500)</i> |
| Facility improvements | (600) | <i>-</i> |
| Closing debtor/(creditor) | 151 | <i>1</i> |
| | ===== | <i>=====</i> |

NIAB also has an option to take an interest free loan from National Institute of Agricultural Botany Trust, secured by a first fixed and floating charge on its assets.

The National Institute of Agricultural Botany Trust previously provided a loan of £1,500,000 to NIAB EMR. This loan is secured by a first fixed and floating charge on the assets of NIAB EMR and, while there is no fixed repayment timetable, it is repayable within 10 years (by 8 February 2026). Interest is charged at 2% above the Bank of England base rate, which is considered to be a market value.

The loan was transferred to NIAB on 1 April 2021 when the business, assets and liabilities of NIAB EMR were merged into NIAB

29. Related undertaking

The Trust has an objective to support NIAB (a company limited by guarantee) and delivers its charitable aims through this associated company. Copies of the NIAB accounts are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

NATIONAL INSTITUTE OF AGRICULTURAL BOTANY TRUST

England & Wales - Charity number 1144528

Accounts

National Institute of Agricultural Botany Trust

Trustees' Report and Financial Statements

For the Year Ended 31 March 2021

National Institute of Agricultural Botany Trust

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National Institute of Agricultural Botany Trust

**Reference and Administrative Details of the Charity, its Trustees and Advisers
For the Year Ended 31 March 2021**

Trustees J W Lewis, Chairman
 Dr C W Looker
 R Pemberton
 J A Elliot
 R A Macdonald (appointed 8 December 2020)
 Dr H Ferrier (resigned 8 December 2020)
 R C Butler (resigned 8 December 2020)

**Company registered
number** 7823588

Charity registered number 1144528

Registered office 93 Lawrence Weaver Road
 Cambridge
 CB3 0LE

Company secretary Dr J McKee

Independent auditors Crowe U.K. LLP
 Statutory Auditors
 55 Ludgate Hill
 London
 EC4M 7JW

Bankers Barclays Bank plc
 1 Churchill Place
 Canary Wharf
 London
 E14 5HP

Solicitors Birketts LLP
 22 Station Road
 Cambridge
 CB1 2JD

 Ashton KCJ
 Chequers House
 77-81 Newmarket Road
 Cambridge
 CB5 8EU

Property Bidwells
 Trumpington Road
 Cambridge
 CB2 2LD

 St Andrews Bureau
 18 Mill Road
 Cambridge
 CB1 2AD

National Institute of Agricultural Botany Trust

**Reference and Administrative Details of the Charity, its Trustees and Advisers (continued)
For the Year Ended 31 March 2021**

Strutt and Parker
66-68 Hills Road
Cambridge
CB2 1LA

Carter Jonas LLP
One Station Square
Cambridge
CB1 2GA

Savills
132-134 Hills Road
Cambridge
CB2 8PA

TRUSTEES' REPORT INCORPORATING THE STRATEGIC REPORT

STRATEGIC REVIEW

Background

The National Institute of Agricultural Botany was founded by Deed of Trust in 1919. It was regulated by a scheme made by the Secretary of State for Education and Science until 1998, when a new structure was agreed which saw the formation of two charities which would operate in tandem. The National Institute of Agricultural Botany Trust provide land, facilities and financial support to NIAB, which the Trust determine is the preferred vehicle to deliver its charitable objectives. The activities of the unincorporated Trust were transferred to a new charitable company of the same name in 2012.

Mission and Vision

The specific objects of the National Institute of Agricultural Botany Trust are the promotion of agriculture, horticulture and arboriculture anywhere in the world by charitable means, including the provision of support to NIAB. (Charity No. 1064230).

NIAB's mission is to support independent science-based research and information to support, develop and promote agriculture and horticulture; helping the industry to fulfil its potential in supplying food and renewable resources, while respecting the natural environment.

NIAB's vision is to connect the science base and industry by providing an integrated research and knowledge transfer hub for the entire crop improvement pipeline.

Strategy

The strategy of the Trust is to support NIAB through the provision of land, facilities and finance for investment in scientific research. The current focus is on the provision of facilities, and in recent years the Trust has embarked on a programme of land sales and the renewal of the facilities which NIAB occupies.

The focus has been on the completion of state of the art research facilities, creating a Crop Science Campus on the outskirts of Cambridge.

The successful completion of a programme of re-investment has provided a new HQ Building off Lawrence Weaver Road, as well as the augmentation of facilities at the Park Farm Site.

These facilities will underpin crop science research, globally supporting the activities of NIAB, including the partnership with Cambridge University, the Crop Science Centre.

Public Benefit

The Trust provides facilities, research funding and other support to NIAB, which has underpinned the provision of independent science-based research and information to agriculture. The Trust seeks to:

- advance science for public benefit, primarily through the provision of funding and facilities to NIAB ;
- support the transfer of plant science into practice, through the support provided to NIAB Innovation Farm and the Crop Science Centre which will foster the translation of fundamental research into crop pre-breeding activities, and provide a forum for plant breeders and crop protection industries to address key bottlenecks in crop genetic diversity and resource use at the field scale; and
- promote agriculture, horticulture and arboriculture anywhere in the world by such charitable means as the Directors shall determine. NIAB's research has global reach, and through a number of partnerships, addresses issues in agriculture in developing countries as well as in the developed world.

The Trustees are satisfied they have complied with their duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. Based on this guidance, and as described in this Trustees' report, the Trustees believe the activities of the National Institute of Agricultural Botany Trust to be charitable in nature.

Performance

Our performance against our 2019/20 objectives are highlighted in the table below:-

| Objectives | Performance |
|---|---|
| <p>Manage sale of properties held for sale and ensure cash flow remains strong and with ongoing ability to support NIAB. Darwin Green land sales next instalment received in July 2020 and the next due in July 2021.</p> | <p>Sales of properties continues to complete on schedule.</p> |
| <p>Completion of Barn 4 construction on time and on budget. Barn 4 construction is scheduled to house agritech SME's in furtherance of NIAB's charitable objectives.</p> | <p>Funding was received from the Cambridge and Peterborough Combined Authority to provide a new building comprising incubator space (both office and lab) for start-up agritech companies which will be managed by NIAB. Construction was completed on time and in budget by March 2021.</p> |
| <p>Provision of funding for 2 Fellowships at the University of Cambridge, supporting the Crop Science Centre which is the alliance between NIAB and the University.</p> | <p>Two Fellows have been appointed and funding will commence when they are in position.</p> |
| <p>Provision of facilities, research funding and covenant support to NIAB.</p> | <p>The Trust continues to support NIAB in the provision of facilities and research funding. The site development activities have provided new and replacement facilities which will underpin the delivery of charitable activities for the foreseeable future.</p> <p>The Trust is providing covenant support in respect of the NIAB Pension Scheme deficit as it is now a participating employer in the scheme and therefore stands beside NIAB.</p> |

Objectives for 2021/22

The National Institute of Agricultural Botany Trust will address the following objectives in the forthcoming year:-

- Manage sale of properties held for sale and ensure cash flow remains strong and with ongoing ability to support NIAB. Darwin Green land sales next instalment due in July 2021 and then July 2022.
- Provision of facilities, research funding and covenant support to NIAB.
- With NIAB, agree with trustees of the NIAB 1996 Pension Scheme the recovery plan following the triennial valuation as at 31 March 2021.

FINANCIAL REVIEW

Income

The total incoming resources for the year were £4,108k (2020: £2,876k). The income for 2021 includes a grants of £2,771k towards the building of new facilities and the remainder is derived from charges for the use of the Trust's charitable assets, as well as investment income and other activities. Other funding sources include realised proceeds from sale of surplus assets from property developers.

Expenditure

The total outgoing expenditure totalled £3,025k (2020: £5,503k) made up as follows:

| | 2021 £'000 | 2020 £'000 |
|--------------------------------|---------------|---------------|
| Research funding to NIAB | 1,000 | 1,000 |
| Further support to NIAB | 500 | 1,272 |
| Cambridge University committed | 0 | 1,000 |
| Administrative costs | 125 | 125 |
| Bank and other interest | 179 | 117 |
| Professional fees | 25 | 756 |
| Depreciation | 1,079 | 661 |
| Other | 117 | 572 |
| Total | 3,025 | 5,053 |

Capital Expenditure

The charity funded the capital purchases from unrestricted reserves. Capital additions for the year total £3,639k (2020: £20,067k). A significant portion of the year's capital purchase was funded by a contribution from the Cambridge and Peterborough Combined Authority.

Business Review and key performance indicators

The following financial indicators have been reviewed:-

| | 2021 £'000 | 2020 £'000 |
|-------------------------|---------------|---------------|
| Charitable Expenditure | 3,025 | 5,503 |
| Income from Investments | 265 | 291 |
| Support Costs | 373 | 344 |

The Charitable Expenditure is a measure of the facilities and research funding provided to NIAB. The Trustees have considered how they can best demonstrate the impact of this funding and how it can be measured.

Investment Policy

Land

Surplus land assets are subject to a consortium agreement and will be disposed of in due course. The Trustees will seek to obtain the maximum sale proceeds available.

Redundancy Fund

Capital sums are held separately in respect of the NIAB Redundancy Fund. This fund was established to provide for the redundancy costs associated with staff in post as at 31 March 1996. Interest on capital is refunded to Defra, together with repayment of capital when staff leave NIAB through retirement/resignation. Sums relating to this fund are disclosed in note 20. The capital sum relating to the 1996 provision at 31 March 2021 was £757k (2020: £781k).

Going Concern

The Trust delivers its charitable objects primarily through its support for NIAB (Charity No: 1064230). The two charities were formed in 1998, following the separation of the National Institute of Agricultural Botany from government in 1996. The Trust held the charitable assets from the original charitable scheme, and the operational activities were transferred to NIAB. The two charities have continued to work closely, the trustees continue to believe that NIAB is the best vehicle to deliver the charitable objects of the Trust.

When the new legal structure was finalised in 1998, NIAB became the sponsoring employer of a defined benefit pension scheme, the NIAB (1996) Pension Scheme (the Scheme).

The NIAB (1996) Pension Scheme ('Scheme') was established in 1996 following NIAB's separation from government and establishment as a not-for-profit. NIAB has taken steps to manage the Scheme deficit, closing the Scheme to new members in 2001 and to future accrual in 2007. The current Scheme deficit is £19,225k (2020: £13,987k), which moves the NIAB group balance sheet to a deficit of £12,474k (2020: deficit £10,766k), and the charity only balance sheet into a deficit of £15,025k (2020: deficit £10,934k).

The Trust is a participating employer in the Scheme with NIAB. This means that the entire deficit liability of the pension scheme could fall to the TRUST, and the assets of the TRUST support NIAB's balance sheet in providing the employer covenant, and the recovery payments agreed under the recovery plan.

The trustees have reviewed the cash flow supporting its own activities for the next four years. It has also considered the NIAB management projections and cash flow projections to ensure there is sufficient resources within the TRUST to be able to fully support its own and NIAB's activities and financial position for the foreseeable future, being at least twelve months from the date of approval of these financial statements.

The TRUST's NET current liabilities at 31 March 2021 were £8351k (2020: £8,331k). Included in its creditors were the following:

| | |
|---------------------------------------|-------|
| Cambridge University revolving loan | £5.0m |
| Barclays Bank revolving loan | £1.5m |
| DEFRA share of sale of surplus assets | £4.9m |

Proceeds from sale of surplus land to developers is scheduled to be receivable as follows:

| |
|-----------------|
| £5.6m July 2021 |
| £5.6m July 2022 |
| £7.7m July 2023 |

Therefore in terms of cash flow the Trust has contracted income due on dates which will ensure it is able to pay back its loans as they fall due.

The NIAB Trust have considered the financial position of NIAB and the funding required to support NIAB in the future. The NIAB financial position suggests that over the medium term (to 31 March 2022) under some scenarios it is possible that in order to ensure NIAB remains viable the Trust may need to provide short term lending to NIAB of up to £2m. The Trustees have considered this and have agreed to provide a letter of comfort to NIAB. The Trustees have provided that comfort letter having considered the financial position of the TRUST and are satisfied that the TRUST can provide that support as and when it is required without having a significant impact on its own ability to continue as a going concern.

The trustees therefore have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements,

and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

Reserves Policy

The Trustees have reviewed the reserves of the Trust. There has been considerable cost associated with making the land available for development. The Trustees deem the current level of reserves as appropriate given their current commitments.

The Trustees will re-consider their reserves policy in conjunction with the allocation of proceeds from land sale and longer term asset finance. The Trustees will seek to balance the aim of maintaining the value of its total reserves position with their desire to provide to NIAB continuing annual funding for research initiatives and support.

The Trust had total reserves of £57,624k at the balance sheet date of which £5,171k is restricted and £52,453k is unrestricted.

Accounting Period

The trustees present their report and the financial statements for the year ended 31 March 2021. The company's year end (Accounting Reference Date) has been amended to 28 March, although the financial statements continue to be prepared to 31 March as permitted by section 390(3) of the Companies Act 2006.

RISK ASSESSMENT AND MANAGEMENT

The Board of Trustees is responsible for ensuring there are effective and adequate risk management and internal control systems in place to manage the major risks to which the Charity is exposed. The Board reviews the risk register at each meeting.

Principal Risks and Uncertainties

| Risk Area | Risk | Management |
|------------|--|---|
| Covid-19 | <ul style="list-style-type: none"> Loss of key staff providing administrative support for TRUST activities. Failure to maintain utilisation of properties for charitable purposes because of necessary social distancing and ability to keep staff safe on site. | <ul style="list-style-type: none"> NIAB Executive continue to provide support of TRUST activities. NIAB has sufficient staff resources to be able to manage the administrative support of TRUST. All TRUST operational properties have remained open. NIAB have managed Covid-19 related risk assessments to allow continued use of the properties for charitable purposes and are managing return to the workplace in line with current government guidelines |
| Compliance | <ul style="list-style-type: none"> Performance of contractual obligations with third parties Delivery of Charitable Objects | <ul style="list-style-type: none"> Clear delegation to NIAB for management of key projects and contracts, with regular reporting back to the Trustees. The Chairman of the Trust attends NIAB Board meetings by invitation. NIAB reports regularly to the Trustees regarding its activities and reports specifically on the impact of Trust support. |
| Financial | <ul style="list-style-type: none"> Failure to generate sufficient funds to support planned activities Risks related to Site Development Project The NIAB (1996) Pension Scheme deficit – the next valuation will be as at 31 March 2021. | <ul style="list-style-type: none"> The Finance Committee monitor plans and financial forecasts to ensure a regular review of on-going commitments and review of the reserves policy. Day to day management delegated to NIAB COO who reports to both TRUST and NIAB Board regarding project progress and expenditure. Trust approved all expenditure relating to capital projects. The development programme is supported by legal and professional advisors who report regularly to the project team. Long term cash flow forecasts are reviewed regularly. NIAB Executive in consultation with the Trustees of NIAB, the TRUST, the Scheme and professional advisors will continue to manage the Scheme and ensure that any agreed contribution payments are affordable to both NIAB and NIAB TRUST. |

STRUCTURE, GOVERNANCE and MANAGEMENT

Members and Board of Trustees

The members of the Trust are the Trustee/Directors. The Board of Trustees comprises the Chair and up to seven additional trustee directors.

The Board has established the following sub-committees:-

- Finance (1)

The following Trustees have served during the period:

| | | |
|---|---|---------|
| J W Lewis | 1 | (Chair) |
| Dr C W Looker | 1 | |
| R Pemberton | | |
| J A Elliot | 1 | |
| R C Butler (retired 8 December 2020) | | |
| Dr H Ferrier (retired 8 December 2020) | | |
| R Macdonald CBE (appointed 8 December 2020) | | |

Recruitment, induction and training of Trustees

The National Institute of Agricultural Botany Trust recruits Trustees with the relevant skillset to support the charity's activities. An induction programme has been put in place for newly appointed Trustees and is kept under review and updated where appropriate.

Organisation and governance

The National Institute of Agricultural Botany was founded by a Deed of Trust dated 13 January 1919 and, up until 31 March 1998 regulated by a scheme made by the Secretary of State for Education and Science under section 18 of the Charities Act 1960. The Institute's registered charity number was 306069.

A new structure was initiated in 1996 and agreed with the Charity Commission from 1 April 1998, which saw the formation of two charities which would operate in tandem. The National Institute of Agricultural Botany Trust provide land, facilities and financial support to the National Institute of Agricultural Botany (NIAB) who perform the charitable activities. The activities of the unincorporated entity were transferred to a new charitable company on 6th July 2012.

The National Institute of Agricultural Botany Trust was incorporated in England and Wales as a company limited by guarantee on 26 October 2011, and is governed by its Memorandum and Articles of Association dated 26 October 2011, and amended 19 July 2013. It is registered as a charity with the Charity Commission (Charity No: 1144528). Its principal operating address is 93 Lawrence Weaver Road, Cambridge, CB3 0LE.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006 and 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 (FRS102) (effective 1 January 2015).

Governance Code

The Trustees will be reviewing the Charity Code of Governance in how best to enhance the organisation's effectiveness.

Fundraising

The Trust carried out no fundraising activity in the year.

Charge

When the structure was changed in 1996, the interests of DEFRA were expressed within a legal charge over certain properties and parcels of land. The original 1996 Debenture was revised in 2007, as a result of negotiations regarding land sales. The fair value of this interest (£4,556k) is detailed in note 28.

Trustee Remuneration

Charity Commission approval has been received to enable the Trust to make payments to Trustees. The Trust provides an honorarium for the Chairman of the Board and the Chairman of the Finance Committee. In addition to this, a per diem fee is payable to qualifying Trustees. This is subject to regular review.

Decision making and key management

The Board of Directors (Trustees) administer the company, and meet quarterly.

The Trust has no employees. To facilitate effective operations, members of the executive within NIAB have delegated authority, within terms of delegation approved by the trustees, for operational matters.

Liability Insurance

The Trustees have effected liability insurance as permitted by the company's articles. This insurance does not provide cover in the event that a trustee is proved to have acted fraudulently or dishonestly.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE ANNUAL AUDIT REPORT AND FINANCIAL STATEMENTS

The trustees (who are also directors of the Trust for the purposes of company law) are responsible for preparing the Trustees Report, incorporating the Strategic Report, and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom general accepted accounting practise (United Kingdom accounting standards and applicable law), including FRS102, the financial reporting standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless that they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP (FRS102);
- make judgments and accounting estimates that are reasonable and prudent; and

- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that:

- So far as each trustee is aware, there is no relevant audit information of which the auditors are unaware; and
- The trustees 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 the charitable company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees approve the Trustees Report, incorporating the Strategic Report, and financial statements which are signed on behalf of the Board of Trustees of The National Institute of Agricultural Botany Trust



J W Lewis, Trustee

Date: 17 November 2021

Independent Auditors' Report to the Members of National Institute of Agricultural Botany Trust

Opinion

We have audited the financial statements of National Institute of Agricultural Botany Trust ('the charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cashflows and notes to the financial statements, including 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 charitable company's affairs as at 31 March 2021 and of 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC'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 charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. 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 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.

Independent Auditors' Report to the Members of National Institute of Agricultural Botany Trust (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report, which includes the directors' report and the strategic report prepared for the purposes of company law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report included within the trustees' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the charitable company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report included within the trustees' report.

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

- adequate and proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the trustees' directors' report and from the requirement to prepare a strategic report.

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 10, 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 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 charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 auditor's 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.

Details of the extent to which the audit was considered capable of detecting irregularities, including fraud and non-compliance with laws and regulations are set out below.

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 auditor's report.

Independent Auditors' Report to the Members of National Institute of Agricultural Botany Trust (continued)

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We identified and assessed the risks of material misstatement of the financial statements from irregularities, whether due to fraud or error, and discussed these between our audit team members. We then designed and performed audit procedures responsive to those risks, including obtaining audit evidence sufficient and appropriate to provide a basis for our opinion.

We obtained an understanding of the legal and regulatory frameworks within which the charitable company operates, focusing on those laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements. The laws and regulations we considered in this context were the Companies Act 2006, the Charities Act 2011 together with the Charities SORP (FRS 102). We assessed the required compliance with these laws and regulations as part of our audit procedures on the related financial statement items.

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 might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context were General Data Protection Regulation (GDPR), Health and safety legislation and taxation legislation.

Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any.

We identified the greatest risk of material impact on the financial statements from irregularities, including fraud, to be within the timing of recognition of income, the override of controls by management and judgement and estimates. Our audit procedures to respond to these risks included enquiries of management, and the Finance Committee about their own identification and assessment of the risks of irregularities, sample testing on the posting of journals, reviewing accounting estimates for biases, reviewing regulatory correspondence with the Charity Commission, and reading minutes of meetings of those charged with governance.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations (irregularities) is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it. In addition, as with any audit, there remained a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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. 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 auditor's 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 the charitable company's members as a body, for our audit work, for this report, or for the opinions we have formed.

N. Hashemi

Naziar Hashemi
Senior Statutory Auditor
For and on behalf of
Crowe U.K. LLP
Statutory Auditor

London

Date: 30 November 2021

National Institute of Agricultural Botany Trust

**Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 March 2021**

| | Note | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Total funds 2021 £000 | <i>Total funds 2020 £000</i> |
|---|------|---------------------------------------|-------------------------------------|--------------------------------|--|
| Income from: | | | | | |
| Donations and legacies | 4 | - | - | - | 2,000 |
| Charitable activities | 5 | 753 | 3,084 | 3,837 | 518 |
| Investments | 6 | 265 | - | 265 | 291 |
| Disposal of property | 7 | 6 | - | 6 | 67 |
| | | <u>1,024</u> | <u>3,084</u> | <u>4,108</u> | <u>2,876</u> |
| Total income | | | | | |
| Expenditure on: | | | | | |
| Charitable activities | 9 | 2,999 | 26 | 3,025 | 5,503 |
| | | <u>2,999</u> | <u>26</u> | <u>3,025</u> | <u>5,503</u> |
| Total expenditure | | | | | |
| Net (expenditure)/income before net gains on investments | | | | | |
| | | (1,975) | 3,058 | 1,083 | (2,627) |
| Net gains on investments | | 1,556 | 727 | 2,283 | 1,052 |
| | | <u>(419)</u> | <u>3,785</u> | <u>3,366</u> | <u>(1,575)</u> |
| Net (expenditure)/income | | | | | |
| Transfers between funds | 22 | 3,084 | (3,084) | - | - |
| | | <u>2,665</u> | <u>701</u> | <u>3,366</u> | <u>(1,575)</u> |
| Net movement in funds | | | | | |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 49,788 | 4,470 | 54,258 | 55,833 |
| | | <u>52,453</u> | <u>5,171</u> | <u>57,624</u> | <u>54,258</u> |
| Total funds carried forward | | | | | |

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

The notes on pages 17 to 39 form part of these financial statements.

National Institute of Agricultural Botany Trust
Registered number: 7823588

Balance Sheet
As at 31 March 2021

| | Note | 2021 £000 | 2020 £000 |
|---|------|----------------|----------------|
| Fixed assets | | | |
| Tangible assets | 14 | 54,705 | 52,151 |
| Investment property | 15 | 25,416 | 24,747 |
| | | 80,121 | 76,898 |
| Current assets | | | |
| Debtors | 16 | 3,771 | 2,932 |
| Cash at bank and in hand | | 2,132 | 1,071 |
| | | 5,903 | 4,003 |
| Creditors: amounts falling due within one year | 17 | (14,254) | (12,334) |
| Net current liabilities | | (8,351) | (8,331) |
| Total assets less current liabilities | | 71,770 | 68,567 |
| Creditors: amounts falling due after more than one year | 18 | (13,389) | (13,528) |
| Provisions for liabilities | 20 | (757) | (781) |
| Total net assets | | 57,624 | 54,258 |
| Charity funds | | | |
| Restricted funds | 22 | 5,171 | 4,470 |
| Unrestricted funds | 22 | 52,453 | 49,788 |
| Total funds | | 57,624 | 54,258 |

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

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

The financial statements were approved and authorised for issue by the Trustees on 17 November 2021 and signed on their behalf by:

J W Lewis



The notes on pages 17 to 39 form part of these financial statements.

National Institute of Agricultural Botany Trust

Statement of Cash Flows
For the Year Ended 31 March 2021

| | 2021 £000 | 2020 £000 |
|--|----------------|-----------------|
| Cash flows from operating activities | | |
| Net cash used in operating activities (note 24) | 2,618 | 4,542 |
| | <hr/> | <hr/> |
| Cash flows from investing activities | | |
| Dividends, interests and rents from investments | 265 | 292 |
| Purchase of tangible fixed assets | (3,639) | (20,790) |
| Proceeds from sale of investments | 2,496 | 4,065 |
| Interest paid | (179) | (117) |
| | <hr/> | <hr/> |
| Net cash used in investing activities | (1,057) | (16,550) |
| | <hr/> | <hr/> |
| Cash flows from financing activities | | |
| Cash inflows from new borrowing | (500) | (850) |
| Cash inflow from contribution to capital | - | 12,413 |
| | <hr/> | <hr/> |
| Net cash (used in)/provided by financing activities | (500) | 11,563 |
| | <hr/> | <hr/> |
| Change in cash and cash equivalents in the year | 1,061 | (445) |
| Cash and cash equivalents at the beginning of the year | 1,071 | 1,516 |
| | <hr/> | <hr/> |
| Cash and cash equivalents at the end of the year | 2,132 | 1,071 |
| | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 17 to 39 form part of these financial statements

National Institute of Agricultural Botany Trust

Notes to the Financial Statements For the Year Ended 31 March 2021

1. General information

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.

2. Accounting policies

2.1 Going concern

The Trust delivers its charitable objects primarily through its support for NIAB (Charity No: 1064230). The two charities were formed in 1998, following the separation of the National Institute of Agricultural Botany from government in 1996. The Trust held the charitable assets from the original charitable scheme, and the operational activities were transferred to NIAB. The two charities have continued to work closely, the trustees continue to believe that NIAB is the best vehicle to deliver the charitable objects of the Trust.

When the new legal structure was finalised in 1998, NIAB became the sponsoring employer of a defined benefit pension scheme, the NIAB (1996) Pension Scheme (the Scheme).

The NIAB (1996) Pension Scheme ('Scheme') was established in 1996 following NIAB's separation from government and establishment as a not-for-profit. NIAB has taken steps to manage the Scheme deficit, closing the Scheme to new members in 2001 and to future accrual in 2007. The current Scheme deficit is £19,225k (2020: £13,987k), which moves the NIAB group balance sheet to a deficit of £12,474k (2020: deficit £10,766k), and the charity only balance sheet into a deficit of £15,025k (2020: deficit £10,934k).

The Trust is a participating employer in the Scheme with NIAB. This means that the entire deficit liability of the pension scheme could fall to the TRUST, and the assets of the TRUST support NIAB's balance sheet in providing the employer covenant, and the recovery payments agreed under the recovery plan.

The trustees have reviewed the cash flow supporting its own activities for the next four years. It has also considered the NIAB management projections and cash flow projections to ensure there is sufficient resources within the TRUST to be able to fully support its own and NIAB's activities and financial position.

The TRUST's NET current liabilities at 31 March 2021 were £8.3m. Included in its creditors were the following:

| | |
|---------------------------------------|-------|
| Cambridge University revolving loan | £5.0m |
| Barclays Bank revolving loan | £1.0m |
| DEFRA share of sale of surplus assets | £4.9m |

Proceeds from sale of surplus land to developers is scheduled to be receivable as follows:

| | |
|-----------|-------|
| July 2021 | £5.6m |
| July 2022 | £5.6m |
| July 2023 | £7.7m |

Notes to the Financial Statements
For the Year Ended 31 March 2021

2. Accounting policies (continued)

2.1 Going concern (continued)

Therefore in terms of cash flow the Trust has contracted income due on dates which will ensure it is able to pay back its loans as they fall due.

Supporting NIAB's activities will require ongoing funding.

The NIAB Trust have considered the financial position of NIAB and the funding required to support NIAB in the future. The NIAB financial position suggests that over the medium term (to 31 March 2022) under some scenarios it is possible that in order to ensure NIAB remains viable the Trust may need to provide short term lending to NIAB of up to £2m. The Trustees have considered this and have agreed to provide a letter of comfort to NIAB. The Trustees have provided that comfort letter having considered the financial position of the TRUST and are satisfied that the TRUST can provide that support as and when it is required without having a significant impact on its own ability to continue as a going concern.

After making enquiries and considering the uncertainties described above, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence and accordingly they adopt the going concern basis in preparing the annual report and accounts.

2.2 Fund accounting

General unrestricted funds

General unrestricted funds represent income which is expendable at the discretion of the Trust in the furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Designated funds

Designated funds are unrestricted funds of the charity which the trustees have decided, at their discretion, to set aside to use for a specific purpose.

Restricted funds

Restricted funds represent grant funded assets which are allocated by the donor for specific purposes and in which the donor maintains a residual interest.

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

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

2. Accounting policies (continued)

2.3 Income

Income has been analysed in accordance with the service provided.

Income from charitable activities:

Incoming resources are recognised, when the charity has entitlement to the funds.

Grant income, whether 'capital' or 'revenue', is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. They are recognised as restricted funds in the statement of financial activities where relevant under the particular terms of the grant.

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

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.

2.4 Accrued and deferred income

Income within charitable activities, other activities and investment income includes income received under contract or where entitlement to grant funding is subject to specific performance conditions and is recognised as earned (as the related services are provided). This may mean accruing for invoices not yet raised, and deferring payments made in advance of work done.

2.5 Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the group to the expenditure. Expenditure is allocated as follows:

Charitable Activities

Expenditure incurred directly in the fulfillment of the objectives of the charity including allocated overheads

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administrative and governance costs which support the objectives of the charity. These costs have been allocated across fundraising and charitable activities. The bases on which support costs have been allocated are set out in note 10.

Governance costs

Expenditure incurred in running and administering the charity which is not directly attributable to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.6 Interest receivable

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

Notes to the Financial Statements
For the Year Ended 31 March 2021

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

The charity's policy is to carry all land and buildings at value in use. Depreciation is not provided on freehold land. Assets in the course of construction are carried at cost and not depreciated. On other assets depreciation is provided on cost or revalued amounts in equal annual installments over the estimated lives of the assets.

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 | - between 20 and 60 years |
| Plant and machinery | - 5 to 15 years |
| Fixtures and fittings | - 4 to 10 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of financial activities.

2.8 Investments

Land held for re-sale and properties held to earn rental or for capital appreciation rather than for use in the supply of service are held at fair value. Net movements are transferred to the statement of financial activities and to the appropriate fund holding the investment. No depreciation is provided in respect of land held for re-sale or investment properties.

2.9 Financial instruments

The Charity only has financial assets and financial liabilities which qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.10 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition or the balance sheet date and that are readily convertible to known amounts of cash with insignificant risk of change of value. The cash balance includes funds of £945k relating to the DEFRA redundancy fund.

2.11 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

2. Accounting policies (continued)

2.12 Liabilities

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

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.

2.13 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.

The Charity's functional and presentational currency is GBP

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

3. Critical accounting estimates and areas of judgement

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where those judgements and estimates have been made include:

Land for re-sale

The Trust has made a significant judgement in revaluing the land held for re-sale at Darwin Green, for which forecasted cash flow receipts, from disposal strategy reports prepared by Bidwells, have been used as a basis for the revaluation (note 15).

A purchase contract has been signed for a significant amount of the land holdings and the cash receipts have been received on time and in line with the contract. Further annual receipts are similarly expected in 2022 and 2023. A discount rate of 5% has been used (Trust rate of debt, 2.85%, plus a reasonable adjustment for remaining uncertainties).

The next phase is dependent on planning permission expected to be submitted by the end of 2021. The Trust believes that the buyer is more likely than not to contract to purchase the remaining portion of land and therefore includes the land held for re-sale at a valuation based on the expected cashflows discounted by 10%. The higher rate reflects the additional risks and uncertainties with these phases of the development. The Trust will re-assess both the expected cashflow timings and discount rate used as these move through planning permission. The Trust recognises that this will likely result in an uplift of the valuation.

Residential investment properties

Residential investment properties, for which the Trust receives rental income, are held at Fair value as determined by an annual valuation exercise. These are included at the latest professional valuation (note 15).

Cost allocation

The cost allocation methodology requires a judgement as to what are the most appropriate bases to use to apportion support costs. These are reviewed annually for reasonableness.

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

4. Income from donations and legacies

| | Unrestricted funds 2021 £000 | Total funds 2021 £000 |
|-----------|---|--|
| Donations | - | - |
| | <hr/> <hr/> | <hr/> <hr/> |
| | <i>Unrestricted funds 2020 £000</i> | <i>Total funds 2020 £000</i> |
| Donations | 2,000 | 2,000 |
| | <hr/> <hr/> | <hr/> <hr/> |

5. Income from charitable activities

| | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Total funds 2021 £000 |
|---|---|---|--|
| Provision of facilities to enable charitable activities to be performed | 753 | - | 753 |
| Income from grants - Restricted funds | - | 3,084 | 3,084 |
| Total 2021 | <hr/> <hr/> 753 | <hr/> <hr/> 3,084 | <hr/> <hr/> 3,837 |
| | <i>Unrestricted funds 2020 £000</i> | | <i>Total funds 2020 £000</i> |
| Provision of facilities to enable charitable activities to be performed | | 518 | 518 |
| | | <hr/> <hr/> | <hr/> <hr/> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

6. Investment income

| | Unrestricted funds 2021 £000 | Total funds 2021 £000 |
|---|---|--|
| Rental income - residential investment properties | 233 | 233 |
| Interest receivable from NIAB EMR | 32 | 32 |
| | 265 | 265 |
| | 265 | 265 |

| | <i>Unrestricted funds 2020 £000</i> | <i>Total funds 2020 £000</i> |
|---|---|--|
| Rental income - residential investment properties | 250 | 250 |
| Interest receivable from NIAB EMR | 41 | 41 |
| | 291 | 291 |
| | 291 | 291 |

7. Other incoming resources

| | Unrestricted funds 2021 £000 | Total funds 2021 £000 |
|--|---|--|
| Profit on disposal of land and buildings | 6 | 6 |
| | 6 | 6 |

| | <i>Unrestricted funds 2020 £000</i> | <i>Total funds 2020 £000</i> |
|--|---|--|
| Profit on disposal of land and buildings | 67 | 67 |
| | 67 | 67 |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2021

8. Analysis of grants

| | Grants to Institutions 2021 £000 | Total funds 2021 £000 |
|------------------------------------|---|--|
| Grant to NIAB for research funding | 1,000 | 1,000 |
| | <hr/> <hr/> | <hr/> <hr/> |
| | <i>Grants to Institutions 2020 £000</i> | <i>Total funds 2020 £000</i> |
| Grant to NIAB for research funding | 1,000 | 1,000 |
| | <hr/> <hr/> | <hr/> <hr/> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

9. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Total funds 2021 £000 |
|----------------------------------|---|---|--|
| Legal and professional | 328 | - | 328 |
| Provision of facilities | 541 | - | 541 |
| Research funding - grant to NIAB | 1,000 | - | 1,000 |
| Restricted funds | 7 | - | 7 |
| Other expenditure | 1,123 | 26 | 1,149 |
| | <hr/> | <hr/> | <hr/> |
| | 2,999 | 26 | 3,025 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

| | <i>Unrestricted funds 2020 £000</i> | <i>Restricted funds 2020 £000</i> | <i>Total funds 2020 £000</i> |
|----------------------------------|---|---|--|
| Legal and professional | 921 | - | 921 |
| Provision of facilities | 2,431 | - | 2,431 |
| Research funding - grant to NIAB | 1,073 | - | 1,073 |
| Restricted funds | 15 | - | 15 |
| Other expenditure | 1,037 | 26 | 1,063 |
| | <hr/> | <hr/> | <hr/> |
| | 5,477 | 26 | 5,503 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

Other expenditure includes an agreement of £1million to pay £200k pa for five years from 2021 to support the costs of two research fellows in Crop Sciences based in the University of Cambridge's Crop Science Centre.

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

10. Analysis of expenditure by activities

| | Activities undertaken directly 2021 £000 | Grant funding of activities 2021 £000 | Support costs 2021 £000 | Total funds 2021 £000 |
|-------------------------|---|--|--|--|
| Legal and professional | 25 | - | 303 | 328 |
| Provision of facilities | 500 | - | 41 | 541 |
| Research funding | - | 1,000 | - | 1,000 |
| Restricted funds | - | - | 7 | 7 |
| Other expenditure | 1,143 | - | 6 | 1,149 |
| | <u>1,668</u> | <u>1,000</u> | <u>357</u> | <u>3,025</u> |

| | <i>Activities undertaken directly 2020 £000</i> | <i>Grant funding of activities 2020 £000</i> | <i>Support costs 2020 £000</i> | <i>Total funds 2020 £000</i> |
|-------------------------|---|--|--|--|
| Raising funds | 733 | - | 188 | 921 |
| Provision of facilities | 2,363 | - | 68 | 2,431 |
| Research funding | - | 1,000 | 73 | 1,073 |
| Restricted funds | - | - | 15 | 15 |
| Other expenditure | 1,063 | - | - | 1,063 |
| | <u>4,159</u> | <u>1,000</u> | <u>344</u> | <u>5,503</u> |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2021

10. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Raising funds 2021 £000 | Provision of facilities 2021 £000 | Research funding 2021 £000 | Other expenditure 2021 £000 |
|------------------------|-------------------------------|--|-------------------------------------|--------------------------------------|
| Legal and professional | 163 | 41 | - | - |
| Management | 78 | - | - | 7 |
| Governance costs | 62 | - | - | - |
| | 303 | 41 | - | 7 |
| | 303 | 41 | - | 7 |

| | Other expenditure 2021 £000 | Total funds 2021 £000 |
|-------------------------|--------------------------------------|--------------------------------|
| Legal and professional | - | 204 |
| Provision of facilities | - | 85 |
| Governance costs | 6 | 68 |
| | 6 | 357 |
| | 6 | 357 |

| | <i>Raising funds</i> 2020 £000 | <i>Provision of</i> <i>facilities</i> 2020 £000 | <i>Research</i> <i>funding</i> 2020 £000 | <i>Other</i> <i>expenditure</i> 2020 £000 |
|-------------------------|--------------------------------------|--|---|--|
| Legal and professional | 86 | 20 | 31 | - |
| Provision of facilities | 13 | 48 | 9 | 15 |
| Governance costs | 89 | - | 33 | - |
| | 188 | 68 | 73 | 15 |
| <i>Total 2020</i> | 188 | 68 | 73 | 15 |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2021

10. Analysis of expenditure by activities (continued)

Analysis of support costs (continued)

| | <i>Other expenditure 2020 £000</i> | <i>Total funds 2020 £000</i> |
|-------------------------|--|--|
| Legal and professional | - | 137 |
| Provision of facilities | - | 85 |
| Governance costs | - | 122 |
| <i>Total 2020</i> | <u>-</u> | <u>344</u> |

11. Auditors' remuneration

| | 2021 £000 | <i>2020 £000</i> |
|---|----------------------|----------------------|
| Fees payable to the Charity's auditor for the audit of the Charity's annual accounts | 10 | 9 |
| Fees payable to the Charity's auditor in respect of: Additional fees in respect of previous year audit | 9 | 8 |

12. Taxation

The Trust is a registered charity and is thus exempt from tax on income and capital gains falling within section 505 of the Income and Corporation Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

No deferred tax liabilities have been recognised for assets held at fair value.

13. Trustees' remuneration and expenses

There were seven (2020 - seven) serving Trustees during the year. During the year five Trustees were paid honorariums or *per diem* fees totaling £11,000 (2020 - eight trustees £14,867).

During the year, expenses totaling £532 were reimbursed or paid directly to one Trustee (2020 - £2,452 to three Trustees). This principally reflects reimbursed travelling expenses incurred in attending meetings.

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2021

14. Tangible fixed assets

| | Freehold property £000 | Plant and machinery £000 | Fixtures and fittings £000 | Assets in the course of construction £000 | Total £000 |
|---------------------------|------------------------------|--------------------------------|----------------------------------|--|----------------------|
| Cost or valuation | | | | | |
| At 1 April 2020 | 54,450 | 428 | 380 | 99 | 55,357 |
| Additions | 3,112 | 2 | - | 525 | 3,639 |
| Transfers between classes | 55 | (9) | - | (46) | - |
| At 31 March 2021 | <u>57,617</u> | <u>421</u> | <u>380</u> | <u>578</u> | <u>58,996</u> |
| Depreciation | | | | | |
| At 1 April 2020 | 2,513 | 313 | 380 | - | 3,206 |
| Charge for the year | 1,072 | 13 | - | - | 1,085 |
| At 31 March 2021 | <u>3,585</u> | <u>326</u> | <u>380</u> | <u>-</u> | <u>4,291</u> |
| Net book value | | | | | |
| At 31 March 2021 | <u><u>54,032</u></u> | <u><u>95</u></u> | <u><u>-</u></u> | <u><u>578</u></u> | <u><u>54,705</u></u> |
| At 31 March 2020 | <u><u>51,937</u></u> | <u><u>115</u></u> | <u><u>-</u></u> | <u><u>99</u></u> | <u><u>52,151</u></u> |

The completion of the build and refurbishment of the Headquarters Building and Barns 1 and 2 in 2020 allowed all Cambridge-based staff to relocate to those buildings enabling NIAB to vacate other leased buildings. Cambridge University started to use the Crop Science Centre from September 2020.

Barn 4 was completed and brought into use in March 2021.

Building costs are held as "Assets in the course of construction" until completed when they are transferred to the relevant asset class.

As stated in the accounting policy (note 2), the Trust carries land and freehold buildings at value in use.

When the new scheme was initiated in 1996, the interests of DEFRA were expressed within a legal charge over certain properties and parcels of land. This interest amounts to £1,455k of the cost of the land and buildings.

The carrying amount under the cost model of the assets which have been revalued would have been £NIL (2020 - £NIL).

The charity's bankers and the University of Cambridge have a legal charge secured on certain of the freehold land and buildings.

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

15. Investment property

| | Freehold residential investment property £000 | Land held for resale £000 | Total £000 |
|---------------------|---|---------------------------------|---------------|
| Valuation | | | |
| At 1 April 2020 | 7,170 | 17,577 | 24,747 |
| Disposals | - | (1,614) | (1,614) |
| Gain on revaluation | 1,190 | 1,093 | 2,283 |
| At 31 March 2021 | <u>8,360</u> | <u>17,056</u> | <u>25,416</u> |

The Trustees have reviewed the market value of the Trust's freehold investments at 31 March 2021.

They have valued the residential investment properties at £8,360k (2020: £7,170k) based upon a valuation carried out by Messrs Strutt & Parker on 22 September 2021. DEFRA has an interest of £3,220k in the investment properties (see note 22).

The Trustees have valued the land held for re-sale at £17,056k (2020: £17,694k) based upon a valuation carried out by Savills on 31 March 2018. The valuation is based on projected future cash flows, which have been discounted to the net present value at a rate of 5%, and 10% for part of the site to be sold under separate agreement. The rate of 5% is representative of the Trust's current rate of debt (2.85%) uplifted for the uncertain timing of projected future cash flows, due to the proposed put and call options on the land. The rate of 10% reflects an additional risk factor associated with the separate sale.

16. Debtors

| | 2021 £000 | 2020 £000 |
|--------------------------------|--------------|--------------|
| Trade debtors | 826 | 188 |
| Loan to NIAB EMR | 1,501 | 1,541 |
| Other debtors | 1,121 | 1,191 |
| Prepayments and accrued income | 323 | 12 |
| | <u>3,771</u> | <u>2,932</u> |

The loan to NIAB EMR (a subsidiary company of NIAB see note 29) is repayable in full by 8 February 2026. On 1 April 2021 the business, assets and liabilities of NIAB EMR were merged into NIAB.

Included in other debtors is £572k in respect of building work being undertaken for NIAB. This was invoiced in May 2021 upon completion.

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2021

17. Creditors: Amounts falling due within one year

| | 2021 £000 | 2020 £000 |
|------------------------------|---------------|---------------|
| Bank loans | 1,500 | 1,000 |
| Other loan | 5,000 | 5,000 |
| Trade creditors | 569 | 906 |
| Amount owed to NIAB | - | 284 |
| Other creditors | 6,317 | 4,857 |
| Accruals and deferred income | 868 | 287 |
| | <u>14,254</u> | <u>12,334</u> |

Bank loans - Barclays Bank Plc has made available a revolving loan facility of up to £9,700k at an interest rate of 1.5% above LIBOR (from January 2022 this will change to Bank of England Base Rate plus margin). The loan, which is repayable by October 2022, is secured by a charge over certain land and buildings. The amount of the loan drawn down at the year end was £1,500k (2020: £1,000k).

Other loan - the University of Cambridge has made available a loan of £5,000k at an interest rate of 1.75% above Bank of England base rate, secured by a charge over certain land and buildings. The loan was repaid in September 2021.

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

| | 2021 £000 | 2020 £000 |
|------------------------------|---------------|---------------|
| Accruals and deferred income | <u>13,389</u> | <u>13,528</u> |

Deferred income included above of £12,589k (2020: £12,528k) arises from amounts received from the University of Cambridge towards capital expenditure. Similar deferred income of £217k (2020: £212k) is also included in Creditors: Amounts falling due within one year. The total deferred income is £12,806k (2020: £12,740) (note 19).

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2021

19. Deferred income

| | 2021 £000 | 2020 £000 |
|---|---------------|---------------|
| Deferred income at 1 April 2020 | 12,740 | 999 |
| Resources deferred during the year | 284 | 11,759 |
| Amounts released from previous periods | (218) | (18) |
| Deferred income at 31 March 2021 | 12,806 | 12,740 |

Deferred income arises from amounts received from the University of Cambridge towards capital expenditure on the Cambridge Crop Science Centre (note 18).

20. Provisions

| | Redundancy Fund £000 |
|------------------|----------------------------|
| At 1 April 2020 | 781 |
| Amounts reversed | (24) |
| | 757 |

The provision reflects the potential costs of future redundancies of staff employed at 31 March 1996 for their service to that date and is cash backed.

21. Financial instruments

| | 2021 £000 | 2020 £000 |
|--|--------------|--------------|
| Financial assets | | |
| Financial assets measured at fair value through income and expenditure | 2,131 | 2,991 |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2021

22. Statement of funds

Statement of funds - current year

| | Balance at 1 April 2020 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 March 2021 £000 |
|--------------------------------------|------------------------------------|---------------------|-----------------------|-----------------------------|----------------------------|-------------------------------------|
| Unrestricted funds | | | | | | |
| General Funds | (387) | 1,024 | (2,999) | 3,084 | 1,556 | 2,278 |
| Fixed asset | 50,175 | - | - | - | - | 50,175 |
| | <u>49,788</u> | <u>1,024</u> | <u>(2,999)</u> | <u>3,084</u> | <u>1,556</u> | <u>52,453</u> |
| Restricted funds | | | | | | |
| ERDF | 546 | - | (14) | - | - | 532 |
| DEFRA Charitable Assets reserve | 1,431 | - | (12) | - | - | 1,419 |
| DEFRA Investment Property reserve | 2,493 | - | - | - | 727 | 3,220 |
| Combined Authority grants | - | 3,084 | - | (3,084) | - | - |
| | <u>4,470</u> | <u>3,084</u> | <u>(26)</u> | <u>(3,084)</u> | <u>727</u> | <u>5,171</u> |
| Total of funds | <u><u>54,258</u></u> | <u><u>4,108</u></u> | <u><u>(3,025)</u></u> | <u><u>-</u></u> | <u><u>2,283</u></u> | <u><u>57,624</u></u> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

22. Statement of funds (continued)

Statement of funds - prior year

| | <i>As restated Balance at 1 April 2019 £000</i> | <i>Income £000</i> | <i>Expenditure £000</i> | <i>Transfers in/out £000</i> | <i>Gains/ (Losses) £000</i> | <i>Balance at 31 March 2020 £000</i> |
|-----------------------------------|---|------------------------|-----------------------------|--------------------------------------|-------------------------------------|--|
| Unrestricted funds | | | | | | |
| General Funds | 20,374 | 2,876 | (5,477) | (19,212) | 1,052 | (387) |
| Fixed asset | 30,963 | - | - | 19,212 | - | 50,175 |
| | <u>51,337</u> | <u>2,876</u> | <u>(5,477)</u> | <u>-</u> | <u>1,052</u> | <u>49,788</u> |
| Restricted funds | | | | | | |
| ERDF | 560 | - | (14) | - | - | 546 |
| DEFRA Charitable Assets reserve | 1,443 | - | (12) | - | - | 1,431 |
| DEFRA Investment Property reserve | 2,493 | - | - | - | - | 2,493 |
| | <u>4,496</u> | <u>-</u> | <u>(26)</u> | <u>-</u> | <u>-</u> | <u>4,470</u> |
| Total of funds | <u><u>55,833</u></u> | <u><u>2,876</u></u> | <u><u>(5,503)</u></u> | <u><u>-</u></u> | <u><u>1,052</u></u> | <u><u>54,258</u></u> |

The ERDF restricted fund relates to a capital grant for the Sophi Taylor Building and associated glasshouse facilities. The funds will be written off over the relevant reporting period.

DEFRA have an interest in a proportion of the Charitable Assets, which is secured by a legal charge. The DEFRA Charitable Assets reserves £1,419k (2020: £1,431k) reflects the fair value of this interest, should the Trust dispose of their estate. The DEFRA Investment property reserve reflects the fair value of the interest in investment properties of £3,220k (2020: £2,493k).

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

23. Analysis of net assets between funds

Analysis of net assets between funds - current year

| | Unrestricted funds 2021 £000 | Restricted funds 2021 £000 | Total funds 2021 £000 |
|--|---|---|--|
| Tangible fixed assets | 52,754 | 1,951 | 54,705 |
| Investment property | 22,196 | 3,220 | 25,416 |
| Current assets | 5,903 | - | 5,903 |
| Creditors due within one year | (14,254) | - | (14,254) |
| Creditors due in more than one year | (13,389) | - | (13,389) |
| Provisions for liabilities and charges | (757) | - | (757) |
| Total | <u>52,453</u> | <u>5,171</u> | <u>57,624</u> |

Analysis of net assets between funds - prior year

| | <i>Unrestricted funds 2020 £000</i> | <i>Restricted funds 2020 £000</i> | <i>Total funds 2020 £000</i> |
|--|---|---|--|
| Tangible fixed assets | 50,175 | 1,976 | 52,151 |
| Investment property | 22,253 | 2,494 | 24,747 |
| Current assets | 4,003 | - | 4,003 |
| Creditors due within one year | (12,334) | - | (12,334) |
| Creditors due in more than one year | (13,528) | - | (13,528) |
| Provisions for liabilities and charges | (781) | - | (781) |
| Total | <u>49,788</u> | <u>4,470</u> | <u>54,258</u> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

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

| | 2021 | <i>2020</i> |
|--|----------------|----------------|
| | £000 | <i>£000</i> |
| Net income/expenditure for the year (as per Statement of Financial Activities) | 3,366 | <i>(1,575)</i> |
| Adjustments for: | | |
| Depreciation charges | 1,085 | <i>661</i> |
| Gains on investments | (2,283) | <i>(1,052)</i> |
| Interest paid | 179 | <i>117</i> |
| Loss on the sale of fixed assets | - | <i>151</i> |
| Decrease/(increase) in debtors | (839) | <i>6,436</i> |
| Increase in creditors | 1,375 | <i>95</i> |
| Investment income | (265) | <i>(291)</i> |
| Net cash provided by operating activities | 2,618 | <i>4,542</i> |

25. Analysis of cash and cash equivalents

| | 2021 | <i>2020</i> |
|--|--------------|--------------|
| | £000 | <i>£000</i> |
| Cash in hand | 2,132 | <i>1,071</i> |
| Total cash and cash equivalents | 2,132 | <i>1,071</i> |

26. Analysis of changes in net debt

| | At 1 April 2020 | Cash flows | At 31 March 2021 |
|--------------------------|----------------------------|-------------------|-----------------------------|
| | £000 | £000 | £000 |
| Cash at bank and in hand | 1,071 | 1,061 | 2,132 |
| Debt due within 1 year | (6,000) | (500) | (6,500) |
| | (4,929) | 561 | (4,368) |

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

27. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

28. Contingent liabilities

In the past certain purchases of land and buildings were partly or wholly financed by a capital grant received from DEFRA. It is a condition of such grants that, in the event of the property being sold, the net sale proceeds will be apportioned between the Trust and DEFRA based upon their respective contributions to the original purchase price, and an allocation of agreed deductible costs incurred since the original acquisition. The Trustees have disclosed the DEFRA interest of £1,419k in charitable assets and £3,137k in investment properties (totaling £4,556k) within note 22.

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2021**

29. Related party transactions

The National Institute of Agricultural Botany Trust has an object to support NIAB. A facilities charge is made for the occupation of the land and buildings owned by the Trust. The Trust receives an invoice from NIAB relating to the provision of support through a Research Funding Agreement between the two parties. These transactions will be represented by both cash and non-cash, due to accruals made for activities at the end of the financial year.

Transactions during the year relate to receipt of a facilities charge, and expenditure on research contracts conducted by NIAB. No charge is made with respect to the Sophi Taylor Building.

These transactions are summarised below:

| | 2021 | <i>2020</i> |
|--------------------------------------|----------------|----------------|
| | £000 | <i>£000</i> |
| Income - facilities provision | 500 | <i>500</i> |
| Support grant | (1,000) | <i>(1,000)</i> |
| Provision of administration services | (125) | <i>(125)</i> |
| Pension fund support | (500) | <i>(700)</i> |
| Contribution to other costs | - | <i>(128)</i> |
| Closing debtor/(creditor) | 1 | <i>(284)</i> |
| | ===== | ===== |

NIAB also has an option to take an interest free loan from National Institute of Agricultural Botany Trust, secured by a first fixed and floating charge on its assets.

The National Institute of Agricultural Botany Trust has previously provided a loan of £1,500,000 to NIAB EMR. This loan is secured by a first fixed and floating charge on the assets of NIAB EMR and, while there is no fixed repayment timetable, it is repayable within 10 years (by 8 February 2026). Interest is charged at 2% above the Bank of England base rate, which is considered to be a market value.

30. Capital commitments

| | 2021 | <i>2020</i> |
|--|--------------|--------------|
| | £000 | <i>£000</i> |
| Contracted for but not provided in these financial statements | | |
| Acquisition of tangible fixed assets | 1,363 | <i>2,800</i> |
| | ===== | ===== |

Further improvement works are being undertaken at Park Farm including the erection of a new glasshouse

31. Related undertaking

The Trust has an objective to support NIAB (a company limited by guarantee) and delivers its charitable aims through this associated company. Copies of the NIAB accounts are available from Companies House, Crown Way, Cardiff, CF14 3UZ.

NATIONAL INSTITUTE OF AGRICULTURAL BOTANY TRUST

England & Wales - Charity number 1144528

Accounts

National Institute of Agricultural Botany Trust

Trustees' Report and Financial Statements

For the Year Ended 31 March 2020

National Institute of Agricultural Botany Trust

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National Institute of Agricultural Botany Trust

**Reference and Administrative Details of the Charity, its Trustees and Advisers
For the Year Ended 31 March 2020**

Trustees J W Lewis, Chairman
Dr. C W Looker
R Pemberton
J A Elliot
Dr. H Ferrier
C B Montgomery
R C Butler
A W Slack (resigned 21 August 2019)

Company registered number 7823588

Charity registered number 1144528

Registered office 93 Lawrence Weaver Road
Cambridge
CB3 0LE

Company secretary S C Masson

Independent auditors Crowe U.K. LLP
Statutory Auditors
55 Ludgate Hill
London
EC4M 7JW

Bankers Barclays Bank plc
1 Churchill Place
Canary Wharf
London
E14 5HP

Solicitors Birketts LLP
22 Station Road
Cambridge
CB1 2JD

Ashton KCJ
Chequers House
77-81 Newmarket Road
Cambridge
CB5 8EU

Property Bidwells
Trumpington Road
Cambridge
CB2 2LD

National Institute of Agricultural Botany Trust

**Reference and Administrative Details of the Charity, its Trustees and Advisers (continued)
For the Year Ended 31 March 2020**

St Andrews Bureau
18 Mill Road
Cambridge
CB1 2AD

Strutt and Parker
66-68 Hills Road
Cambridge
CB2 1LA

Carter Jonas LLP
One Station Square
Cambridge
CB1 2GA

Savills
132-134 Hills Road
Cambridge
CB2 8PA

TRUSTEES' REPORT INCORPORATING THE STRATEGIC REPORT

STRATEGIC REVIEW

Background

The National Institute of Agricultural Botany was founded by Deed of Trust in 1919. It was regulated by a scheme made by the Secretary of State for Education and Science until 1998, when a new structure was agreed which saw the formation of two charities which would operate in tandem. The National Institute of Agricultural Botany Trust provide land, facilities and financial support to NIAB, which the Trust determine is the preferred vehicle to deliver its charitable objectives. The activities of the unincorporated Trust were transferred to a new charitable company of the same name in 2012.

Mission and Vision

The specific objects of the National Institute of Agricultural Botany Trust are the promotion of agriculture, horticulture and arboriculture anywhere in the world by charitable means, including the provision of support to NIAB. (Charity No. 1064230).

NIAB's mission is to support independent science-based research and information to support, develop and promote agriculture and horticulture; helping the industry to fulfil its potential in supplying food and renewable resources, while respecting the natural environment.

NIAB's vision is to connect the science base and industry by providing an integrated research and knowledge transfer hub for the entire crop improvement pipeline.

Strategy

The strategy of the Trust is to support NIAB through the provision of land, facilities and finance for investment in scientific research. The current focus is on the provision of facilities, and in recent years the Trust has embarked on a programme of land sales and the renewal of the facilities which NIAB occupies.

The focus has been on the completion of state of the art research facilities, creating a Crop Science Campus on the outskirts of Cambridge.

The successful completion of a programme of re-investment has provided a new HQ Building off Lawrence Weaver Road, as well as the augmentation of facilities at the Park Farm Site.

These facilities will underpin crop science research, globally supporting the activities of NIAB, including the partnership with Cambridge University, the Crop Science Centre.

Public Benefit

The Trust provides facilities, research funding and other support to NIAB, which has underpinned the provision of independent science-based research and information to agriculture. The Trust seeks to:

- advance science for public benefit, primarily through the provision of funding and facilities to NIAB ;
- support the transfer of plant science into practice, through the support provided to NIAB Innovation Farm and the Crop Science Centre which will foster the translation of fundamental research into crop pre-breeding activities, and provide a forum for plant breeders and crop protection industries to address key bottlenecks in crop genetic diversity and resource use at the field scale; and
- promote agriculture, horticulture and arboriculture anywhere in the world by such charitable means as the Directors shall determine. NIAB's research has global reach, and through a number of partnerships, addresses issues in agriculture in developing countries as well as in the developed world.

The Trustees are satisfied they have complied with their duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. Based on this guidance, and as described in this Trustees' report, the Trustees believe the activities of the National Institute of Agricultural Botany Trust to be charitable in nature.

Performance

Our performance against our 2019/20 objectives are highlighted in the table below:-

| Objectives | Performance |
|--|---|
| <p>Complete the buildings works at Park Farm, Lawrence Weaver Road, including the Crop Science Building on time and on budget.</p> | <p>The buildings works at Park Farm were completed, with the opening of Barn 1 in June 2019.</p> <p>The new HQ development including the Crop Science Building was completed in March 2020.</p> <p>Both developments were completed on time and within budget, and are now occupied by staff from NIAB and The University of Cambridge, in support of its charitable objectives.</p> |
| <p>Consider further funding opportunities to continue to develop the Park Farm site.</p> | <p>Funding has been received from the Cambridge and Peterborough Combined Authority to provide a new building comprising incubator space (both office and lab) for start-up agritech companies which will be managed by NIAB. Construction will be completed by March 2021.</p> |
| <p>Finalise and implement the agreements with NIAB and the NIAB Pension Scheme resulting in the regulatory action by the Pensions Regulator to cease</p> | <p>Agreements were signed on 19 December 2019 and the regulator ceased its actions on the same day.</p> |
| <p>Provision of facilities, research funding and covenant support to NIAB.</p> | <p>Sales of properties continue to complete on schedule</p> <p>The Trust continues to support NIAB in the provision of facilities and research funding. The site development activities have provided new and replacement facilities which will underpin the delivery of charitable activities for the foreseeable future.</p> <p>The Trust is providing covenant support in respect of the NIAB Pension Scheme deficit as it is now a participating employer in the scheme and therefore stands beside NIAB.</p> |

Objectives for 2020/21

The National Institute of Agricultural Botany Trust will address the following objectives in the forthcoming year:-

- Completion of Barn 4 construction on time and on budget. Barn 4 construction is scheduled to house agritech SME's in furtherance of NIAB's charitable objectives.
- Manage sale of properties held for sale and ensure cash flow remains strong and with ongoing ability to support NIAB. Darwin Green land sales next instalment received in July 2020 and the next due in July 2021
- Provision of facilities, research funding and covenant support to NIAB.
- Provision of funding for 2 Fellowships at the University of Cambridge, supporting the Crop Science Centre which is the alliance between NIAB and the University.

FINANCIAL REVIEW

Income

The total incoming resources for the year were £2.9m (2019: restated £10.2m). Included in the income for 2019 were £8.6m relating to the sale of the HQ building. The income for 2020 includes a donation of £2m towards the building of new facilities and the remainder is derived from charges for the use of the Trust's charitable assets, as well as investment income and other activities. Other funding sources include realised proceeds from sale of surplus assets from property developers.

Expenditure

The total outgoing expenditure totalled £5,503k (2019: £4,707k) made up as follows:

| | 2020 £'000 | 2019 £'000 |
|--------------------------------|---------------|---------------|
| Research funding to NIAB | 1,000 | 1,000 |
| Further support to NIAB | 1,272 | 1,877 |
| Cambridge University committed | 1,000 | 0 |
| Administrative costs | 125 | 125 |
| Bank interest | 117 | 106 |
| Professional fees | 756 | 475 |
| Depreciation | 661 | 492 |
| Asset write down | 220 | 0 |
| Property development | 118 | 91 |
| Paid to DEFRA | 0 | 441 |
| Other | 234 | 100 |
| TOTAL | 5,503 | 4,707 |

Capital Expenditure

The charity funded the capital purchases from unrestricted reserves. Capital additions for the year total £20,067k (2019: £18,498k). A significant portion of the year's capital purchase was funded by a contribution from the University of Cambridge which has been accounted for as deferred income to be recognised through the SOFA over the economic life of the asset. The amount received from the University was effectively an incentive to enter into a lease with them for the property they will occupy under that lease.

Business Review and key performance indicators

The following financial indicators have been reviewed:-

| | 2020 £'000 | 2019 £'000 |
|-------------------------|---------------|---------------|
| Charitable Expenditure | 5,503 | 4,707 |
| Income from Investments | 291 | 305 |
| Support Costs | 344 | 580 |

The Charitable Expenditure is a measure of the facilities and research funding provided to NIAB. The Trustees have

considered how they can best demonstrate the impact of this funding and how it can be measured.

Prior year restatement

The trustees reviewed the policy of carrying fixed asset properties at fair valuation using market values. A number of the properties are specialised in nature because they are designed for specific functional activities. The fair valuation being market valuation is therefore not a fair reflection of the assets enabling it and NIAB to carry out their activities. The trustees have therefore decided to revert back to cost as that provides a more meaningful reflection of the properties value to the Trust. The impact of this restatement is set out note 4 to the accounts.

Investment Policy

Land

Surplus land assets are subject to a consortium agreement and will be disposed of in due course. The Trustees will seek to obtain the maximum sale proceeds available.

Redundancy Fund

Capital sums are held separately in respect of the NIAB Redundancy Fund. This fund was established to provide for the redundancy costs associated with staff in post as at 31 March 1996. Interest on capital is refunded to Defra, together with repayment of capital when staff leave NIAB through retirement/resignation. Sums relating to this fund are disclosed within note 14. The capital sum relating to the 1996 provision at 31 March 2020 was £781k (2019: £936k).

Going Concern

The Trust delivers its charitable objects primarily through its support for NIAB (Charity No: 1064230). The two charities were formed in 1998, following the separation of the National Institute of Agricultural Botany from government in 1996. The Trust held the charitable assets from the original charitable scheme, and the operational activities were transferred to NIAB. The two charities have continued to work closely, the trustees continue to believe that NIAB is the best vehicle to deliver the charitable objects of the Trust.

When the new legal structure was finalised in 1998, NIAB became the sponsoring employer of a defined benefit pension scheme, the NIAB (1996) Pension Scheme (the Scheme).

The NIAB (1996) Pension Scheme ('Scheme') was established in 1996 following NIAB's separation from government and establishment as a not-for-profit. NIAB has taken steps to manage the Scheme deficit, closing the Scheme to new members in 2001 and to future accrual in 2007. The current Scheme deficit is £13,987k (2019: £18,773k), which moves the NIAB group balance sheet to a deficit of £11,652k (2019: deficit

£13,957k), and the charity only balance sheet into a deficit of £11,744k (2019: deficit £14,615k).

The Trust is a participating employer in the Scheme with NIAB. This means that the entire deficit liability of the pension scheme could fall to the TRUST, and the assets of the TRUST support NIAB's balance sheet in providing the employer covenant, and the recovery payments agreed under the recovery plan.

The trustees have reviewed the cash flow supporting its own activities for the next four years. It has also considered the NIAB management projections and cash flow projections to ensure there is sufficient resources within the TRUST to be able to fully support its own and NIABs' activities and financial position for the foreseeable future, being at least twelve months from the date of approval of these financial statements.

The TRUST's NET current liabilities at 31 March 2020 were £8.4m. Included in its creditors were the following:

| | |
|---------------------------------------|-------|
| Cambridge University revolving loan | £5.0m |
| Barclays Bank revolving loan | £1.0m |
| DEFRA share of sale of surplus assets | £4.9m |

Proceeds from sale of surplus land to developers is scheduled to be receivable as follows:

| |
|-----------------|
| £2.5m July 2020 |
| £5.6m July 2021 |
| £5.6m July 2022 |
| £7.7m July 2023 |

Therefore in terms of cash flow the Trust has contracted income due on dates which will ensure it is able to pay back its loans as they fall due.

The NIAB Trust have considered the financial position of NIAB and the funding required to support NIAB in the future. The NIAB financial position suggests that over the medium term (to 31 March 2022) under some scenarios it is possible that in order to ensure NIAB remains viable the Trust may need to provide short term lending to NIAB of up to £2m. The Trustees have considered this and have agreed to provide a letter of comfort

to NIAB. The Trustees have provided that comfort letter having considered the financial position of the TRUST and are satisfied that the TRUST can provide that support as and when it is required without having a significant impact on its own ability to continue as a going concern.

The trustees therefore have a reasonable expectation that the Trust has adequate resources to continue in operational existence for the foreseeable future being at least twelve months from the date of approval of these financial statements, and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

Reserves Policy

The Trustees have reviewed the reserves of the Trust. There has been considerable cost associated with making the land available for development. The Trustees deem the current level of reserves as appropriate given their current commitments.

The Trustees will re-consider their reserves policy in conjunction with the allocation of proceeds from land sale and longer term asset finance. The Trustees will seek to balance the aim of maintaining the value of its total reserves position with their desire to provide to NIAB continuing annual funding for research initiatives and support.

The Trust had total reserves of £54.3m at the balance sheet date of which £4.5m is restricted and £49.8m is unrestricted.

Accounting Period

The financial year is 28 March 2020, however the financial statements continue to be prepared to 31 March 2020 as permitted by section 390(3) of the Companies Act 2006.

RISK ASSESSMENT AND MANAGEMENT

The Board of Trustees is responsible for ensuring there are effective and adequate risk management and internal control systems in place to manage the major risks to which the Charity is exposed. The Board reviews the risk register at each meeting.

Principal Risks and Uncertainties

| Risk Area | Risk | Management |
|------------|---|--|
| Covid-19 | <ul style="list-style-type: none"> Reduction in income as a result of property developer being unable to fulfil contractual commitments on payment schedules. Reduction in income from rental properties if tenants are affected by Covid-19. Loss of key staff providing administrative support for TRUST activities. Failure to maintain utilisation of properties for charitable purposes because of necessary social distancing and ability to keep staff safe on site. | <ul style="list-style-type: none"> Monitoring of property developers through landowners consortium. Rental income is managed by agents and to the date of signing these accounts, none of the current tenants have requested rental holidays. NIAB Executive continue to provide support of TRUST activities. NIAB has sufficient staff resources to be able to manage the administrative support of TRUST. All TRUST operational properties have remained open. NIAB have managed Covid-19 related risk assessments to allow continued use of the properties for charitable purposes. |
| Compliance | <ul style="list-style-type: none"> Performance of contractual obligations with third parties Delivery of Charitable Objects | <ul style="list-style-type: none"> Clear delegation to NIAB for management of key projects and contracts, with regular reporting back to the Trustees. The Chairman of the Trust attends NIAB Board meetings by invitation. NIAB reports regularly to the Trustees regarding its activities and reports specifically on the impact of Trust support. |
| Financial | <ul style="list-style-type: none"> Failure to generate sufficient funds to support planned activities Risks related to Site Development Project | <ul style="list-style-type: none"> The Finance Committee monitor plans and financial forecasts to ensure a regular review of on-going commitments and review of the reserves policy. Day to day management delegated to NIAB COO who reports to both TRUST and NIAB Board regarding project progress and expenditure. Trust approved all expenditure relating to capital projects. The development programme is supported by legal and professional advisors who report regularly to the project team. Long term cash flow forecasts are reviewed regularly. |

| | | |
|---------------------------|---|---|
| | <ul style="list-style-type: none"> The NIAB (1996) Pension Scheme deficit – the next valuation will be on 31 March 2021. | <ul style="list-style-type: none"> NIAB Executive in consultation with the Trustees of NIAB, the TRUST, the Scheme and professional advisors will continue to manage the Scheme and ensure that any agreed contribution payments are affordable to both NIAB and NIAB TRUST. |
| <p>Strategy / Process</p> | <ul style="list-style-type: none"> Capital Projects not delivered on time or not to budget | <ul style="list-style-type: none"> Professional services are appropriately procured from 3rd parties; all projects have their own risk register; contracts contain penalty clauses where appropriate; regular financial and project reports are provided to Trustees. |

STRUCTURE, GOVERNANCE and MANAGEMENT

Members and Board of Trustees

The members of the Trust are the Trustee/Directors. The Board of Trustees comprises the Chair and up to seven additional trustee directors.

The Board has established the following sub-committees:-

- Finance (1)

The following Trustees have served during the period:

| | | |
|---------------|---|---------------------|
| J W Lewis | 1 | (Chair) |
| Dr C W Looker | 1 | |
| R Pemberton | | |
| A M Slack | | (retired 21/8/2019) |
| R C Butler | | |
| J A Elliot | 1 | |
| Dr H Ferrier | | |

Recruitment, induction and training of Trustees

The National Institute of Agricultural Botany Trust recruits Trustees with the relevant skillset to support the charity's activities. An induction programme has been put in place for newly appointed Trustees and is kept under review and updated where appropriate.

Organisation and governance

The National Institute of Agricultural Botany was founded by a Deed of Trust dated 13 January 1919 and, up until 31 March 1998 regulated by a scheme made by the Secretary of State for Education and Science under section 18 of the Charities Act 1960. The Institute's registered charity number was 306069.

A new structure was initiated in 1996 and agreed with the Charity Commission from 1 April 1998, which saw the formation of two charities which would operate in tandem. The National Institute of Agricultural Botany Trust provide land, facilities and financial support to the National Institute of Agricultural Botany (NIAB) who perform the charitable activities. The activities of the unincorporated entity were transferred to a new charitable company on 6th July 2012.

The National Institute of Agricultural Botany Trust was incorporated in England and Wales as a company limited by guarantee on 26 October 2011, and is governed by its Memorandum and Articles of Association dated 26 October 2011, and amended 19 July 2013. It is registered as a charity with the Charity Commission (Charity No: 1144528). Its principal operating address is 93 Lawrence Weaver Road, Cambridge, CB3 0LE.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006 and

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 (FRS102) (effective 1 January 2015).

Governance Code

The Trustees will be reviewing the Charity Code of Governance in how best to enhance the organisation's effectiveness

Fundraising

The Trust carried out no fundraising activity in the year.

Charge

When the structure was changed in 1996, the interests of DEFRA were expressed within a legal charge over certain properties and parcels of land. The original 1996 Debenture was revised in 2007, as a result of negotiations regarding land sales. The fair value of this interest (£3,936k) is detailed in note 27.

Trustee Remuneration

Charity Commission approval has been received to enable the Trust to make payments to Trustees. The Trust provides an honorarium for the Chairman of the Board and the Chairman of the Finance Committee. In addition to this, a per diem fee is payable to qualifying Trustees. This is subject to regular review.

Decision making and key management

The Board of Directors (Trustees) administer the company, and meet quarterly.

The Trust has no employees. To facilitate effective operations, members of the executive within NIAB have delegated authority, within terms of delegation approved by the trustees, for operational matters.

Liability Insurance

The Trustees have effected liability insurance as permitted by the company's articles. This insurance does not provide cover in the event that a trustee is proved to have acted fraudulently or dishonestly.

STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE ANNUAL AUDIT REPORT AND FINANCIAL STATEMENTS

The trustees (who are also directors of the Trust for the purposes of company law) are responsible for preparing the Trustees Report, incorporating the Strategic Report, and the financial statements in accordance with applicable law and regulations.

Company law requires the trustees to prepare financial statements for each financial year. Under that law the trustees have elected to prepare the financial statements in accordance with United Kingdom general accepted accounting practise (United Kingdom accounting standards and applicable law), including FRS102, the financial reporting standard applicable in the UK and Republic of Ireland. Under company law the trustees must not approve the financial statements unless that they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company 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 in the Charities SORP (FRS102);
- make judgments and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

The trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The trustees confirm that:

- So far as each trustee is aware, there is no relevant audit information of which the auditors are unaware; and
- The trustees 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 the charitable company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Independent Auditors

A resolution to reappoint Crowe U.K. LLP, Chartered Accountants, will be put to the members at the Annual General Meeting, in accordance with section 485 of the Companies Act 2006.

The Trustees approve the Trustees Report, incorporating the Strategic Report, and financial statements which are signed on behalf of the Board of Trustees of The National Institute of Agricultural Botany Trust



J W Lewis, Trustee
Date: 16 December 2020

National Institute of Agricultural Botany Trust

Independent Auditors' Report to the Members of National Institute of Agricultural Botany Trust

Opinion

We have audited the financial statements of National Institute of Agricultural Botany Trust (the 'charity') for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance sheet, the 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 charitable company's affairs as at 31 March 2020 and of its 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 charitable company 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

National Institute of Agricultural Botany Trust

Independent Auditors' Report to the Members of National Institute of Agricultural Botany Trust (continued)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. 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.

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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:

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

National Institute of Agricultural Botany Trust

Independent Auditors' Report to the Members of National Institute of Agricultural Botany Trust (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 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 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.

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. 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.

N. Hashemi

Naziar Hashemi
Senior statutory auditor
for and on behalf of
Crowe U.K. LLP
Statutory Auditors
London

Date: 18 December 2020

National Institute of Agricultural Botany Trust

**Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 March 2020**

| | Note | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Total funds 2020 £000 | <i>As restated</i> Total funds 2019 £000 |
|------------------------------------|------|---------------------------------------|-------------------------------------|--------------------------------|--|
| Income from: | | | | | |
| Donations and legacies | 5 | 2,000 | - | 2,000 | 771 |
| Charitable activities | 6 | 518 | - | 518 | 500 |
| Investments | 7 | 291 | - | 291 | 305 |
| Disposal of property | 8 | 67 | - | 67 | 8,591 |
| Total income | | 2,876 | - | 2,876 | 10,167 |
| Expenditure on: | | | | | |
| Charitable activities | 10 | 5,477 | 26 | 5,503 | 4,707 |
| Net (expenditure)/income | | (2,601) | (26) | (2,627) | 5,460 |
| Net gains on investments | | 1,052 | - | 1,052 | 2,613 |
| Net movement in funds | | (1,549) | (26) | (1,575) | 8,073 |
| Reconciliation of funds: | | | | | |
| Total funds brought forward | | 51,337 | 4,496 | 55,833 | 47,760 |
| Total funds carried forward | | 49,788 | 4,470 | 54,258 | 55,833 |

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

The notes on pages 16 to 40 form part of these financial statements.

National Institute of Agricultural Botany Trust
Registered number: 7823588

Balance Sheet
As at 31 March 2020

| | Note | 2020 £000 | As restated 2019 £000 |
|---|------|--------------|-----------------------------|
| Fixed assets | | | |
| Tangible assets | 15 | 52,151 | 32,965 |
| Investment property | 16 | 24,747 | 27,693 |
| | | 76,898 | 60,658 |
| Current assets | | | |
| Debtors | 17 | 2,932 | 9,369 |
| Cash at bank and in hand | | 1,071 | 1,516 |
| | | 4,003 | 10,885 |
| Creditors: amounts falling due within one year | 18 | (12,334) | (13,775) |
| | | (8,331) | (2,890) |
| Total assets less current liabilities | | 68,567 | 57,768 |
| Creditors: amounts falling due after more than one year | 19 | (13,528) | (999) |
| Provisions for liabilities | 21 | (781) | (936) |
| | | 54,258 | 55,833 |
| Net assets | | 54,258 | 55,833 |
| Total net assets | | 54,258 | 55,833 |
| Charity funds | | | |
| Restricted funds | 23 | 4,470 | 4,496 |
| Unrestricted funds | 23 | 49,788 | 51,337 |
| | | 54,258 | 55,833 |
| Total funds | | 54,258 | 55,833 |

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

J W Lewis

Date: 16 December 2020



The notes on pages 18 to 42 form part of these financial statements.

National Institute of Agricultural Botany Trust

**Statement of Cash Flows
For the Year Ended 31 March 2020**

| | 2020 | <i>As restated</i> 2019 |
|--|-----------------|----------------------------|
| | £000 | £000 |
| Cash flows from operating activities | | |
| Net cash used in operating activities (note 25) | 4,542 | <i>(5,999)</i> |
| | <hr/> | <hr/> |
| Cash flows from investing activities | | |
| Dividends, interests and rents from investments | 292 | <i>305</i> |
| Proceeds from the sale of tangible fixed assets | - | <i>14,711</i> |
| Purchase of tangible fixed assets | (20,790) | <i>(18,498)</i> |
| Proceeds from sale of investments | 4,065 | <i>4,620</i> |
| Interest paid | (117) | <i>(106)</i> |
| | <hr/> | <hr/> |
| Net cash (used in)/provided by investing activities | (16,550) | <i>1,032</i> |
| | <hr/> | <hr/> |
| Cash flows from financing activities | | |
| Cash inflows from new borrowing | (850) | <i>5,500</i> |
| Cash inflow from contribution to capital | 12,413 | <i>-</i> |
| | <hr/> | <hr/> |
| Net cash provided by financing activities | 11,563 | <i>5,500</i> |
| | <hr/> | <hr/> |
| Change in cash and cash equivalents in the year | (445) | <i>533</i> |
| Cash and cash equivalents at the beginning of the year | 1,516 | <i>983</i> |
| | <hr/> | <hr/> |
| Cash and cash equivalents at the end of the year | 1,071 | <i>1,516</i> |
| | <hr/> <hr/> | <hr/> <hr/> |

The notes on pages 18 to 42 form part of these financial statements

National Institute of Agricultural Botany Trust

Notes to the Financial Statements For the Year Ended 31 March 2020

1. General information

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.

2. Accounting policies

2.1 Going concern

The Trust delivers its charitable objects primarily through its support for NIAB (Charity No: 1064230). The two charities were formed in 1998, following the separation of the National Institute of Agricultural Botany from government in 1996. The Trust held the charitable assets from the original charitable scheme, and the operational activities were transferred to NIAB. The two charities have continued to work closely, the trustees continue to believe that NIAB is the best vehicle to deliver the charitable objects of the Trust.

When the new legal structure was finalised in 1998, NIAB became the sponsoring employer of a defined benefit pension scheme, the NIAB (1996) Pension Scheme (the Scheme).

The NIAB (1996) Pension Scheme ('Scheme') was established in 1996 following NIAB's separation from government and establishment as a not-for-profit. NIAB has taken steps to manage the Scheme deficit, closing the Scheme to new members in 2001 and to future accrual in 2007. The current Scheme deficit is £13,987k (2018: £18,773k), which moves the NIAB group balance sheet to a deficit of £11,652k (2019: deficit £13,957k), and the charity only balance sheet into a deficit of £11,744k (2019: deficit £14,615k).

The Trust is a participating employer in the Scheme with NIAB. This means that the entire deficit liability of the pension scheme could fall to the TRUST, and the assets of the TRUST support NIAB's balance sheet in providing the employer covenant, and the recovery payments agreed under the recovery plan.

The trustees have reviewed the cash flow supporting its own activities for the next four years. It has also considered the NIAB management projections and cash flow projections to ensure there is sufficient resources within the TRUST to be able to fully support its own and NIAB's activities and financial position.

The TRUST's NET current liabilities at 31 March 2020 were £8.4m. Included in its creditors were the following:

| | |
|---------------------------------------|-------|
| Cambridge University revolving loan | £5.0m |
| Barclays Bank revolving loan | £1.0m |
| DEFRA share of sale of surplus assets | £4.9m |

Proceeds from sale of surplus land to developers is scheduled to be receivable as follows:

| | |
|-----------|-------|
| July 2020 | £2.5m |
| July 2021 | £5.6m |
| July 2022 | £5.6m |
| July 2023 | £7.7m |

Notes to the Financial Statements
For the Year Ended 31 March 2020

2. Accounting policies (continued)

2.1 Going concern (continued)

Therefore in terms of cash flow the Trust has contracted income due on dates which will ensure it is able to pay back its loans as they fall due.

Supporting NIAB's activities will require ongoing funding.

The NIAB Trust have considered the financial position of NIAB and the funding required to support NIAB in the future. The NIAB financial position suggests that over the medium term (to 31 March 2022) under some scenarios it is possible that in order to ensure NIAB remains viable the Trust may need to provide short term lending to NIAB of up to £2m. The Trustees have considered this and have agreed to provide a letter of comfort to NIAB. The Trustees have provided that comfort letter having considered the financial position of the TRUST and are satisfied that the TRUST can provide that support as and when it is required without having a significant impact on its own ability to continue as a going concern.

After making enquiries and considering the uncertainties described above, the trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence and accordingly they adopt the going concern basis in preparing the annual report and accounts.

2.2 Change of accounting policy

During the year the trustees reviewed the policy of carrying fixed asset properties at fair valuation using market values. A number of the properties are specialised in nature because they are designed for specific functional activities. The fair valuation being market valuation is therefore not a fair reflection of the assets enabling it and NIAB to carry out their activities. The trustees have therefore decided to revert back to cost as that provides a more meaningful reflection of the properties value to the Trust.

2.3 Fund accounting

General unrestricted funds

General unrestricted funds represent income which is expendable at the discretion of the Trust in the furtherance of the objects of the charity. Such funds may be held in order to finance both working capital and capital investment.

Designated funds

Designated funds are unrestricted funds of the charity which the trustees have decided, at their discretion, to set aside to use for a specific purpose.

Restricted funds

Restricted funds represent grant funded assets which are allocated by the donor for specific purposes and in which the donor maintains a residual interest.

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

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

2. Accounting policies (continued)

2.4 Income

Income has been analysed in accordance with the service provided.

Income from charitable activities:

Incoming resources are recognised, when the charity has entitlement to the funds.

Grant income, whether 'capital' or 'revenue', is recognised when the charity has entitlement to the funds, any performance conditions attached to the grants have been met, it is probable that the income will be received and the amount can be measured reliably and is not deferred. They are recognised as restricted funds in the statement of financial activities where relevant under the particular terms of the grant.

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

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.

2.5 Accrued and deferred income

Income within charitable activities, other activities and investment income includes income received under contract or where entitlement to grant funding is subject to specific performance conditions and is recognised as earned (as the related services are provided). This may mean accruing for invoices not yet raised, and deferring payments made in advance of work done.

2.6 Resources expended

Liabilities are recognised as resources expended as soon as there is a legal or constructive obligation committing the group to the expenditure. Expenditure is allocated as follows:

Charitable Activities

Expenditure incurred directly in the fulfillment of the objectives of the charity including allocated overheads

Support costs

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include administrative and governance costs which support the objectives of the charity. These costs have been allocated across fundraising and charitable activities. The bases on which support costs have been allocated are set out in note 11.

Governance costs

Expenditure incurred in running and administering the charity which is not directly attributable to charitable activities.

All expenditure is inclusive of irrecoverable VAT.

2.7 Interest receivable

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

Notes to the Financial Statements
For the Year Ended 31 March 2020

2. Accounting policies (continued)

2.8 Tangible fixed assets and depreciation

The charity's policy is to carry all land and buildings at value in use. Depreciation is not provided on freehold land. Assets in the course of construction are carried at cost and not depreciated. On other assets depreciation is provided on cost or revalued amounts in equal annual installments over the estimated lives of the assets.

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 | - between 20 and 60 years |
| Plant and machinery | - 5 to 15 years |
| Fixtures and fittings | - 4 to 10 years |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of financial activities.

2.9 Investments

Land held for re-sale and properties held to earn rental or for capital appreciation rather than for use in the supply of service are held at fair value. Net movements are transferred to the statement of financial activities and to the appropriate fund holding the investment. No depreciation is provided in respect of land held for re-sale or investment properties.

2.10 Financial instruments

The Charity only has financial assets and financial liabilities which qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value.

2.11 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition or the balance sheet date and that are readily convertible to known amounts of cash with insignificant risk of change of value. The cash balance includes funds of £936k relating to the DEFRA redundancy fund.

2.12 Debtors

Trade and other debtors are recognised at the settlement amount. Prepayments are valued at the amount prepaid.

Notes to the Financial Statements
For the Year Ended 31 March 2020

2. Accounting policies (continued)

2.13 Provisions

Provisions are recognised when the Charity has an obligation at the reporting date as a result of a past event which it is probable will result in the transfer of economic benefits and the obligation can be estimated reliably.

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 within interest payable and similar charges.

2.14 Liabilities

Creditors are recognised where the charity has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement amount after allowing for any trade discounts due.

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.

2.15 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.

The Charity's functional and presentational currency is GBP

3. Critical accounting estimates and areas of judgement

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where those judgements and estimates have been made include:

- The Trust has made a significant judgement in revaluing the land held for re-sale at Darwin Green, for which forecasted cash flow receipts, from disposal strategy reports prepared by Bidwells, have been used as a basis for the revaluation.
- A purchase contract has been signed for a significant amount of the land holdings. This will complete in multiple stages. The Trust believes that the buyer is more likely than not to contract to purchase the remaining portion of land and therefore includes the land held for re-sale at a discounted valuation (note 11).
- Investment Properties (note 16) are also shown at fair value.

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

4. Prior year adjustments

Following a review of fixed assets, the trustees consider that the freehold property should be carried at value in use less depreciation. Previously freehold property within fixed assets had been held at fair value equal to market value.

Restatement of the balance sheet

The impact of the change of accounting policy on the Balance Sheet at 31 March 2019 is:

| | Original £'000 | Restated £'000 |
|---|---------------------------|---------------------------|
| Fixed Assets | | |
| Tangible assets | 26,722 | 32,965 |
| Investment property | 27,693 | 27,693 |
| Total Fixed Assets | 54,415 | 60,658 |
| Current Assets | 10,886 | 10,885 |
| Total liabilities and provisions | (14,711) | (15,710) |
| Total net assets | 50,590 | 55,833 |
| Charity funds | | |
| Restricted funds | 4,496 | 4,496 |
| Unrestricted funds | 46,094 | 51,337 |
| Total charity funds | 50,590 | 55,833 |

Reconciliation of unrestricted and total funds

| | Unrestricted funds £'000 | Total funds £'000 |
|---|---|------------------------------|
| Balance as stated at 31 March 2019 | 46,094 | 50,590 |
| Reversal of revaluation | (345) | (345) |
| Increase in the cost of property | 8,011 | 8,011 |
| Increase in depreciation carried forward | (1,424) | (1,424) |
| Increase in Creditors: amounts falling due after more than one year | (724) | (724) |
| Reduction of income | (275) | (275) |
| Restated balance at 31 March 2019 | 51,337 | 55,833 |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

4. Prior year adjustments (continued)

Restatement of the SOFA

The impact of the change of accounting policy on the Statement of Financial Activities for the year ended 31 March 2019 is:

| | Unrestricted funds | | Restricted funds | |
|--|---------------------------|---------------------------|---------------------------|---------------------------|
| | Original £'000 | Restated £'000 | Original £'000 | Restated £'000 |
| Income from: | | | | |
| Donations and legacies | - | - | 1,046 | 771 |
| Charitable activities | 500 | 500 | - | - |
| Investments | 305 | 305 | - | - |
| Other income | 2,007 | 8,591 | - | - |
| Total income | <u>2,812</u> | <u>9,397</u> | <u>1,046</u> | <u>771</u> |
| Expenditure on | | | | |
| Charitable activities | 4,223 | 4,240 | 467 | 467 |
| Total expenditure | <u>4,223</u> | <u>4,240</u> | <u>467</u> | <u>467</u> |
| Net gains on investments | 2,613 | 2,613 | - | - |
| Net income | <u>1,202</u> | <u>7,770</u> | <u>579</u> | <u>304</u> |
| Transfers between funds | 1,046 | 771 | (1,046) | (771) |
| Total transfers | <u>1,046</u> | <u>771</u> | <u>(1,046)</u> | <u>(771)</u> |
| Net movement in funds before other recognised gains | <u>2,248</u> | <u>8,540</u> | <u>(467)</u> | <u>(467)</u> |
| Net movement in funds | <u>2,593</u> | <u>8,540</u> | <u>(467)</u> | <u>(467)</u> |
| Total funds brought forward | 43,501 | 42,797 | 4,963 | 4,963 |
| Total funds carried forward | <u><u>46,094</u></u> | <u><u>51,337</u></u> | <u><u>4,496</u></u> | <u><u>4,496</u></u> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

5. Income from donations and legacies

| | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Total funds 2020 £000 |
|-----------|---|---|--|
| Donations | 2,000 | - | 2,000 |
| | | | |

| | <i>Restricted funds 2019 £000</i> | <i>As restated Total funds 2019 £000</i> |
|-----------|---|--|
| Donations | <i>771</i> | <i>771</i> |
| | <i>771</i> | <i>771</i> |

6. Income from charitable activities

| | Unrestricted funds 2020 £000 | Total funds 2020 £000 |
|---|---|--|
| Provision of facilities to enable charitable activities to be performed | 518 | 518 |
| | 518 | 518 |

| | <i>Unrestricted funds 2019 £000</i> | <i>Total funds 2019 £000</i> |
|---|---|--|
| Provision of facilities to enable charitable activities to be performed | <i>500</i> | <i>500</i> |
| | <i>500</i> | <i>500</i> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

7. Investment income

| | Unrestricted funds 2020 £000 | Total funds 2020 £000 |
|---|---|--|
| Rental income - residential investment properties | 250 | 250 |
| Interest receivable from NIAB EMR | 41 | 41 |
| | 291 | 291 |
| | 291 | 291 |

| | <i>Unrestricted funds 2019 £000</i> | <i>Total funds 2019 £000</i> |
|---|---|--|
| Rental income - residential investment properties | 265 | 265 |
| Interest receivable from NIAB EMR | 40 | 40 |
| | 305 | 305 |
| | 305 | 305 |

8. Other incoming resources

| | Unrestricted funds 2020 £000 | Total funds 2020 £000 |
|--|---|--|
| Profit on disposal of land and buildings | 67 | 67 |
| | 67 | 67 |

| | <i>As restated Unrestricted funds 2019 £000</i> | <i>As restated Total funds 2019 £000</i> |
|--|---|--|
| Profit on disposal of land and buildings | 8,591 | 8,591 |
| | 8,591 | 8,591 |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2020

9. Analysis of grants

| | Grants to Institutions 2020 £000 | Total funds 2020 £000 |
|------------------------------------|---|--|
| Grant to NIAB for research funding | 1,000 | 1,000 |
| | <hr/> <hr/> | <hr/> <hr/> |
| | <i>Grants to Institutions 2019 £000</i> | <i>Total funds 2019 £000</i> |
| Grant to NIAB for research funding | 1,000 | 1,000 |
| | <hr/> <hr/> | <hr/> <hr/> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

10. Analysis of expenditure on charitable activities

Summary by fund type

| | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Total funds 2020 £000 |
|----------------------------------|---|---|--|
| Legal and professional | 921 | - | 921 |
| Provision of facilities | 2,431 | - | 2,431 |
| Research funding - grant to NIAB | 1,073 | - | 1,073 |
| Restricted funds | 15 | - | 15 |
| Other expenditure | 1,037 | 26 | 1,063 |
| | <hr/> | <hr/> | <hr/> |
| | 5,477 | 26 | 5,503 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

Included in other expenditure is a constructive obligation totaling £1m to pay £200Kpa for five years from 2021 (see note 19).

| | <i>As restated Unrestricted funds 2019 £000</i> | <i>Restricted funds 2019 £000</i> | <i>As restated Total funds 2019 £000</i> |
|----------------------------------|---|---|--|
| Legal and professional | 563 | - | 563 |
| Provision of facilities | 2,131 | - | 2,131 |
| Research funding - grant to NIAB | 1,046 | - | 1,046 |
| Restricted funds | 35 | - | 35 |
| Other expenditure | 465 | 467 | 932 |
| | <hr/> | <hr/> | <hr/> |
| | 4,240 | 467 | 4,707 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

11. Analysis of expenditure by activities

| | Activities undertaken directly 2020 £000 | Grant funding of activities 2020 £000 | Support costs 2020 £000 | Total funds 2020 £000 |
|-------------------------|---|--|--|--|
| Legal and professional | 733 | - | 188 | 921 |
| Provision of facilities | 2,363 | - | 68 | 2,431 |
| Research funding | - | 1,000 | 73 | 1,073 |
| Restricted funds | - | - | 15 | 15 |
| Other expenditure | 1,063 | - | - | 1,063 |
| | <u>4,159</u> | <u>1,000</u> | <u>344</u> | <u>5,503</u> |

| | <i>As restated Activities undertaken directly 2019 £000</i> | <i>Grant funding of activities 2019 £000</i> | <i>Support costs 2019 £000</i> | <i>As restated Total funds 2019 £000</i> |
|-------------------------|---|--|--|--|
| Raising funds | 433 | - | 130 | 563 |
| Provision of facilities | 1,762 | - | 369 | 2,131 |
| Research funding | - | 1,000 | 46 | 1,046 |
| Restricted funds | - | - | 35 | 35 |
| Other expenditure | 932 | - | - | 932 |
| | <u>3,127</u> | <u>1,000</u> | <u>580</u> | <u>4,707</u> |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2020

11. Analysis of expenditure by activities (continued)

Analysis of support costs

| | Raising funds 2020 £000 | Provision of facilities 2020 £000 | Research funding 2020 £000 | Other expenditure 2020 £000 | Total funds 2020 £000 |
|-------------------------|-------------------------------|--|-------------------------------------|--------------------------------------|--------------------------------|
| Legal and professional | 86 | 20 | 31 | - | 137 |
| Management | 13 | 48 | 9 | 15 | 85 |
| Governance costs | 89 | - | 33 | - | 122 |
| | 188 | 68 | 73 | 15 | 344 |
| | 188 | 68 | 73 | 15 | 344 |
| | <i>Raising funds</i> | <i>Provision of</i> | <i>Research</i> | <i>Other</i> | <i>Total</i> |
| | <i>2019</i> | <i>facilities</i> | <i>funding</i> | <i>expenditure</i> | <i>funds</i> |
| | <i>£000</i> | <i>2019</i> | <i>2019</i> | <i>2019</i> | <i>2019</i> |
| | <i>£000</i> | <i>£000</i> | <i>£000</i> | <i>£000</i> | <i>£000</i> |
| Legal and professional | 88 | 23 | 18 | - | 129 |
| Provision of facilities | 13 | 48 | 9 | 15 | 85 |
| Governance costs | 29 | 298 | 19 | 20 | 366 |
| | 130 | 369 | 46 | 35 | 580 |
| <i>Total 2019</i> | <i>130</i> | <i>369</i> | <i>46</i> | <i>35</i> | <i>580</i> |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2020

12. Auditors' remuneration

| | 2020 £000 | 2019 £000 |
|--|-------------------|-------------------|
| Fees payable to the Charity's auditor and its associates for the audit of the Charity's annual accounts | 9 | 9 |
| Fees payable to the Charity's auditor and its associates in respect of: Additional fees in respect of previous year audit | 8 | - |
| | <u> </u> | <u> </u> |

13. Taxation

The Trust is a registered charity and is thus exempt from tax on income and capital gains falling within section 505 of the Income and Corporation Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives.

No deferred tax liabilities have been recognised for assets held at fair value.

14. Trustees' remuneration and expenses

There were seven (2019 - nine) serving Trustees during the year. During the year eight Trustees were paid honorariums or *per diem* fees totaling £14,867 (2019 - eight trustees £15,764).

During the year ended 31 March 2020, expenses totaling £2,452 were reimbursed or paid directly to three Trustees (2019 - £2,605 to four Trustees). This principally reflects reimbursed travelling expenses incurred in attending meetings.

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2020

15. Tangible fixed assets

| | Freehold property £000 | Plant and machinery £000 | Fixtures and fittings £000 | Assets in the course of construction £000 | Total £000 |
|--|------------------------------|--------------------------------|----------------------------------|--|---------------|
| Cost or valuation | | | | | |
| At 1 April 2019 (as previously stated) | 13,710 | 313 | 380 | 13,499 | 27,902 |
| Prior Year Adjustment | 6,942 | - | - | 724 | 7,666 |
| At 1 April 2019 (as restated) | 20,652 | 313 | 380 | 14,223 | 35,568 |
| Additions | 19,961 | 7 | - | 99 | 20,067 |
| Disposals | (278) | - | - | - | (278) |
| Transfers between classes | 14,115 | 108 | - | (14,223) | - |
| At 31 March 2020 | 54,450 | 428 | 380 | 99 | 55,357 |
| Depreciation | | | | | |
| At 1 April 2019 (as previously stated) | 520 | 298 | 362 | - | 1,180 |
| Prior Year Adjustment | 1,423 | - | - | - | 1,423 |
| At 1 April 2019 (as restated) | 1,943 | 298 | 362 | - | 2,603 |
| Charge for the year | 628 | 15 | 18 | - | 661 |
| On disposals | (58) | - | - | - | (58) |
| At 31 March 2020 | 2,513 | 313 | 380 | - | 3,206 |
| Net book value | | | | | |
| At 31 March 2020 | 51,937 | 115 | - | 99 | 52,151 |
| At 31 March 2019 (as restated) | 18,709 | 15 | 18 | 14,223 | 32,965 |

Notes to the Financial Statements
For the Year Ended 31 March 2020

15. Tangible fixed assets (continued)

During 2019 the Trust disposed of the offices occupied by NIAB subject to a lease back until March 2020.

During the year Barn 1 at Park Farm and the Bingham site development (new HQ) were completed and occupied and the cost transferred to Freehold property. Building of Barn 4 at Park Farm was commenced and all costs are carried forward.

The Trust is continuing to develop the Park Farm and Bingham sites. Building costs are held as "Assets in the course of construction" until completed when they are transferred to the relevant asset class.

As stated in the accounting policy (note 1), the Trust carries land and freehold buildings at value in use (previously valuation at their fair value, provided by Carter Jonas Commercial Property Consultants at 31 March 2018).

When the new scheme was initiated in 1996, the interests of DEFRA were expressed within a legal charge over certain properties and parcels of land. This interest amounts to £1,455k of the cost of the land and buildings.

The charity's bankers and the University of Cambridge have a legal charge secured on certain of the freehold land and buildings.

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

16. Investment property

| | Freehold investment property £000 | Land held for resale £000 | Total £000 |
|---------------------|--|--|-----------------------|
| Valuation | | | |
| At 1 April 2019 | 7,170 | 20,523 | 27,693 |
| Disposals | - | (3,998) | (3,998) |
| Gain on revaluation | - | 1,052 | 1,052 |
| At 31 March 2020 | 7,170 | 17,577 | 24,747 |

The Trustees have reviewed the market value of the Trust's freehold investments at 31 March 2020.

They have valued the investment properties at £7,170k (2019: £7,170k) based upon a valuation carried out by Messrs Carter Jonas, Commercial Property Consultants on 31 March 2018. DEFRA has an interest of £2,934k in the investment properties which is detailed in note 29.

The Trustees have valued the land held for re-sale at £17,694k (2019: £20,523k) based upon a valuation carried out by Savills on 31 March 2018. The valuation is based on projected future cash flows, which have been discounted to the net present value at a rate of 5%, and 10% for part of the site to be sold under separate agreement. The rate of 5% is representative of the Trust's current rate of debt (2.85%) uplifted for the uncertain timing of projected future cash flows, due to the proposed put and call options on the land. The rate of 10% reflects an additional risk factor associated with the separate sale.

17. Debtors

| | 2020 £000 | <i>2019 £000</i> |
|---|----------------------|----------------------|
| Trade debtors | 188 | 591 |
| Loan to NIAB EMR | 1,541 | 1,500 |
| Other debtors | 1,191 | 407 |
| Prepayments and accrued income | 12 | 16 |
| Amount due on disposal of office property | - | 6,855 |
| | 2,932 | 9,369 |

The loan to NIAB EMR (a subsidiary company of NIAB see note 30) is repayable in full by 8 February 2026.

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

18. Creditors: Amounts falling due within one year

| | 2020 | <i>2019</i> |
|------------------------------|---------------|---------------|
| | £000 | <i>£000</i> |
| Bank loans | 1,000 | <i>6,850</i> |
| Other loan | 5,000 | <i>-</i> |
| Trade creditors | 906 | <i>1,277</i> |
| Amount owed to NIAB | 284 | <i>1,194</i> |
| Other creditors | 4,857 | <i>2,645</i> |
| Accruals and deferred income | 287 | <i>1,809</i> |
| | 12,334 | <i>13,775</i> |
| | 12,334 | <i>13,775</i> |

Bank loans - Barclays Bank Plc has made available a revolving loan facility of up to £9,700k at an interest rate of 1.5% above LIBOR (from January 2021 1.5% above SONIA). The loan, which is repayable by October 2022, is secured by a charge over certain land and buildings. The amount of the loan drawn down at the year end was £1,000k (2019: £6,850k).

Other loan - the University of Cambridge have made available, at arms length, a revolving loan of up to £5,000k at an interest rate of 1.75% above the base rate of Barclays Bank PLC. The loan, which is repayable by September 2021, is secured over the land and buildings of the new HQ site.

Other creditors include monies due to DEFRA £4,692k (2019: £2,588k) (see note 29).

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

| | | <i>As restated</i> |
|------------------------------|---------------|--------------------|
| | 2020 | <i>2019</i> |
| | £000 | <i>£000</i> |
| Accruals and deferred income | 13,528 | <i>999</i> |
| | 13,528 | <i>999</i> |
| | 13,528 | <i>999</i> |

Accruals include a constructive obligation of £1million to pay £200kpa for five years from 2021 (see note 10).

Deferred income of £12,413k arises from amounts received from the University of Cambridge towards capital expenditure.

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

20. Deferred income

| | | <i>As restated</i> |
|---|---------------|--------------------|
| | 2020 | <i>2019</i> |
| | £000 | <i>£000</i> |
| Deferred income at 1 April 2019 | 999 | - |
| Resources deferred during the year | 11,759 | 999 |
| Amounts released from previous periods | (18) | - |
| Deferred income at 31 March 2020 | 12,740 | <i>999</i> |

21. Provisions

| | Redundancy Fund £000 |
|------------------|-------------------------------------|
| At 1 April 2019 | 936 |
| Amounts reversed | (155) |
| | 781 |

The provision reflects the potential costs of future redundancies of staff employed at 31 March 1996 for their service to that date and is cash backed.

22. Financial instruments

| | | <i>2019</i> |
|--|-------------|---------------|
| | 2020 | <i>£000</i> |
| | £000 | |
| Financial assets | | |
| Financial assets measured at fair value through income and expenditure | 2,991 | <i>10,869</i> |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2020

23. Statement of funds

Statement of funds - current year

| | As restated Balance at 1 April 2019 £000 | Income £000 | Expenditure £000 | Transfers in/out £000 | Gains/ (Losses) £000 | Balance at 31 March 2020 £000 |
|--------------------------------------|---|---------------------|-----------------------|-----------------------------|----------------------------|-------------------------------------|
| Unrestricted funds | | | | | | |
| General Funds | 20,374 | 2,876 | (5,477) | (19,212) | 1,052 | (387) |
| Fixed asset | 30,963 | - | - | 19,212 | - | 50,175 |
| | <u>51,337</u> | <u>2,876</u> | <u>(5,477)</u> | <u>-</u> | <u>1,052</u> | <u>49,788</u> |
| Restricted funds | | | | | | |
| ERDF | 560 | - | (14) | - | - | 546 |
| DEFRA Charitable Assets reserve | 1,443 | - | (12) | - | - | 1,431 |
| DEFRA Investment Property reserve | 2,493 | - | - | - | - | 2,493 |
| | <u>4,496</u> | <u>-</u> | <u>(26)</u> | <u>-</u> | <u>-</u> | <u>4,470</u> |
| Total of funds | <u><u>55,833</u></u> | <u><u>2,876</u></u> | <u><u>(5,503)</u></u> | <u><u>-</u></u> | <u><u>1,052</u></u> | <u><u>54,258</u></u> |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

23. Statement of funds (continued)

Statement of funds - prior year

| | <i>Restated Balance at 1 April 2018 £000</i> | <i>As restated Income £000</i> | <i>Expenditure £000</i> | <i>Transfers in/out £000</i> | <i>Gains/ (Losses) £000</i> | <i>As restated Balance at 31 March 2019 £000</i> |
|-----------------------------------|--|--|-----------------------------|--------------------------------------|-------------------------------------|--|
| Unrestricted funds | | | | | | |
| General Funds | 24,169 | 9,397 | (4,240) | (11,565) | 2,613 | 20,374 |
| Fixed asset | 18,628 | - | - | 12,335 | - | 30,963 |
| | <u>42,797</u> | <u>9,397</u> | <u>(4,240)</u> | <u>770</u> | <u>2,613</u> | <u>51,337</u> |
| Restricted funds | | | | | | |
| ERDF | 574 | - | (14) | - | - | 560 |
| DEFRA Charitable Assets reserve | 1,455 | - | (12) | - | - | 1,443 |
| DEFRA Investment Property reserve | 2,934 | - | (441) | - | - | 2,493 |
| Relocation fund | - | 770 | - | (770) | - | - |
| | <u>4,963</u> | <u>770</u> | <u>(467)</u> | <u>(770)</u> | <u>-</u> | <u>4,496</u> |
| Total of funds | <u><u>47,760</u></u> | <u><u>10,167</u></u> | <u><u>(4,707)</u></u> | <u><u>-</u></u> | <u><u>2,613</u></u> | <u><u>55,833</u></u> |

The ERDF restricted fund relates to a capital grant for the Sophi Taylor Building and associated glasshouse facilities. The funds will be written off over the relevant reporting period.

DEFRA have an interest in a proportion of the Charitable Assets, which is secured by a legal charge. The DEFRA Charitable Assets reserves £1,431k (2019: £1,443k) reflects the fair value of this interest, should the Trust dispose of their estate. The DEFRA Investment Property reserve reflects the fair value of the interest in investment properties of £2,493k (2019: £2,493k).

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

24. Analysis of net assets between funds

Analysis of net assets between funds - current period

| | Unrestricted funds 2020 £000 | Restricted funds 2020 £000 | Total funds 2020 £000 |
|--|---|---|--|
| Tangible fixed assets | 50,175 | 1,976 | 52,151 |
| Investment property | 22,253 | 2,494 | 24,747 |
| Current assets | 4,003 | - | 4,003 |
| Creditors due within one year | (12,334) | - | (12,334) |
| Creditors due in more than one year | (13,528) | - | (13,528) |
| Provisions for liabilities and charges | (781) | - | (781) |
| | <hr/> | <hr/> | <hr/> |
| Total | 49,788 | 4,470 | 54,258 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

Analysis of net assets between funds - prior period

| | <i>As restated Unrestricted funds 2019 £000</i> | <i>As restated Restricted funds 2019 £000</i> | <i>As restated Total funds 2019 £000</i> |
|--|---|---|--|
| Tangible fixed assets | 30,963 | 2,002 | 32,965 |
| Investment property | 25,199 | 2,494 | 27,693 |
| Current assets | 10,885 | - | 10,885 |
| Creditors due within one year | (13,775) | - | (13,775) |
| Creditors due in more than one year | (999) | - | (999) |
| Provisions for liabilities and charges | (936) | - | (936) |
| | <hr/> | <hr/> | <hr/> |
| Total As restated | 51,337 | 4,496 | 55,833 |
| | <hr/> <hr/> | <hr/> <hr/> | <hr/> <hr/> |

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2020

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

| | | <i>As restated</i> |
|--|----------------|--------------------|
| | 2020 | <i>2019</i> |
| | £000 | <i>£000</i> |
| Net income/expenditure for the period (as per Statement of Financial Activities) | (1,575) | <i>8,073</i> |
| Adjustments for: | | |
| Depreciation charges | 661 | <i>517</i> |
| Losses on investments | (1,052) | <i>(2,613)</i> |
| Interest paid | 117 | <i>106</i> |
| Loss/(profit) on the sale of fixed assets | 151 | <i>(8,592)</i> |
| Decrease/(increase) in debtors | 6,436 | <i>(7,416)</i> |
| Increase in creditors | 95 | <i>4,231</i> |
| Investment income | (291) | <i>(305)</i> |
| Net cash provided by/(used in) operating activities | 4,542 | <i>(5,999)</i> |

26. Analysis of cash and cash equivalents

| | | <i>2019</i> |
|--|--------------|--------------|
| | 2020 | <i>£000</i> |
| | £000 | |
| Cash in hand | 1,071 | <i>534</i> |
| Short term investments | - | <i>982</i> |
| Total cash and cash equivalents | 1,071 | <i>1,516</i> |

27. Analysis of changes in net debt

| | At 1 April | | At 31 March |
|--------------------------|-------------------|-------------------|--------------------|
| | 2019 | Cash flows | 2020 |
| | £000 | £000 | £000 |
| Cash at bank and in hand | 1,516 | (445) | 1,071 |
| Debt due within 1 year | (6,850) | 850 | (6,000) |
| | (5,334) | 405 | (4,929) |

National Institute of Agricultural Botany Trust

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

28. Members' liability

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £1 for the debts and liabilities contracted before he/she ceases to be a member.

29. Contingent liabilities

In the past certain purchases of land and buildings were partly or wholly financed by a capital grant received from DEFRA. It is a condition of such grants that, in the event of the property being sold, the net sale proceeds will be apportioned between the Trust and DEFRA based upon their respective contributions to the original purchase price, and an allocation of agreed deductible costs incurred since the original acquisition. The Trustees have disclosed the DEFRA interest of £1,443k in charitable assets and £2,934k in investment properties (totalling £4,379k) within note 23.

30. Related party transactions

The National Institute of Agricultural Botany Trust has an object to support NIAB. A facilities charge is made for the occupation of the land and buildings owned by the Trust. The Trust receives an invoice from NIAB relating to the provision of support through a Research Funding Agreement between the two parties. These transactions will be represented by both cash and non-cash, due to accruals made for activities at the end of the financial year.

Transactions during the year relate to receipt of a facilities charge, and expenditure on research contracts conducted by NIAB. No charge is made with respect to the Sophi Taylor Building.

These transactions are summarised below:

| | 2020 | <i>2019</i> |
|--|----------------|----------------|
| Income | 500 | <i>500</i> |
| Annual support | (1,125) | <i>(1,125)</i> |
| Additional support towards legal and pension costs | (700) | <i>(1,200)</i> |
| Net payments made by NIAB | 1,031 | <i>631</i> |
| | (294) | <i>(1,194)</i> |

NIAB also has the option to take an interest free loan from National Institute of Agricultural Botany Trust, secured by a first fixed and floating charge on its assets.

The National Institute of Agricultural Botany Trust has previously provided a loan of £1,500,000 to NIAB EMR. This loan is secured by a first fixed and floating charge on the assets of NIAB EMR and, while there is no fixed repayment timetable, it is repayable within 10 years (by 8 February 2026). Interest is charged at 2% above the Bank of England base rate, which is considered to be a market value.

National Institute of Agricultural Botany Trust

Notes to the Financial Statements
For the Year Ended 31 March 2020

31. Capital commitments

| | 2020 | <i>2019</i> |
|--|--------------|--------------|
| | £000 | <i>£000</i> |
| Contracted for but not provided in these financial statements | | |
| Acquisition of tangible fixed assets | 2,800 | <i>7,610</i> |

The Charity is engaged in renewing the facilities which NIAB occupies (see page 3 of the Trustees Report). A new Headquarters building was brought into use during the year together with Barn 1 at Park Farm. Building of a new barn (Barn 4) has commenced scheduled for completion in 2021.

32. Related undertaking

The Trust has an objective to support NIAB (a company limited by guarantee) and delivers its charitable aims through this associated company. Copies of the NIAB accounts are available from Companies House, Crown Way, Cardiff, CF14 3UZ.