

Registered number: 08811248
Charity number: 1155563

Innovation for Agriculture

Trustees' Report and Financial Statements

For the Year Ended 31 December 2022



Innovation for Agriculture
(A company limited by guarantee)

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Innovation for Agriculture
(A company limited by guarantee)

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

Trustees	P J Westaway, Chairman D R Galbraith A W Ward (resigned 27 June 2023) P J Gready (Royal Agricultural Society of England) (resigned 15 August 2022) R N F Drewett (The Royal Bath & West of England Society)
Company registered number	08811248
Charity registered number	1155563
Registered office	National Agricultural Centre Stoneleigh Park Kenilworth CV8 2LZ
Company secretary	M Kaur (resigned 12 July 2023) E J Stillwell (appointed 12 July 2023)
Independent auditors	Dains Audit Limited 15 Colmore Row Birmingham B3 2BH
Bankers	Barclays Bank Plc 1 Princes Street Ipswich Suffolk IP1 1PB
Solicitors	Wright Hassall LLP Olympus Avenue Leamington Spa Warwickshire CV34 6BF

Innovation for Agriculture
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Chairman's Statement
For the Year Ended 31 December 2022

The chairperson presents his statement for the year.

It is my pleasure to file my Chairperson's report for the IFA accounts for 2022. 2022 was a fabulous year for IFA with continued recovery and growth following the COVID years which made operations a challenge at best.

As we move into the post Brexit world and also with the massive focus, correctly in my view, on climate change I have never been more convinced of the need for businesses like IFA that are essential to take the best science and translate and share it in a form that anyone can understand. There is so much "noise" around these subjects and never has an independent and science led approach been more necessary.

I would like to extend my heartfelt thanks to all the team at IFA, as well as my fellow trustees, I believe UK food production and rural lives have endless opportunities and I look forward to IFA helping our World Class Industry on this journey.



P J Westaway
Chairman

Date: 20 September 2023

Trustees' Report
For the Year Ended 31 December 2022

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

Since the Charity qualifies as small under section 382 of the Companies Act 2006, the Strategic report required of medium and large companies under the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 has been omitted.

Objectives and activities

a. Policies and objectives

The charitable objects of the Charity are the advancement and promotion, for the public benefit, of agriculture and horticulture including without limit:

- a) The promotion of sustainable intensification and efficient food production;
- b) The conservation, protection, research and development of agriculture with particular emphasis on the physical and natural environment, soil health and erosion, greenhouse gas emissions, diffuse pollution and bio-diversity;
- c) The advancement of education and investment in new knowledge and dissemination of best farming practices; and
- d) The improvement of farm animal health and welfare.

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

b. Strategies for achieving objectives

The Charity was founded in December 2013 and at the end of its seventh full year of operation is becoming established both as an entity and within the market landscape. During 2021 the Charity continued to deliver its Soil & Water and Precision Livestock programmes and successfully attracted funding to establish a new work stream on Antibiotic reduction, which will facilitate expansion during 2022. In the medium term the objective is to continue to raise funding to facilitate the creation of new areas of activity.

As an environmental background to this growth, as we enter 2022, we face more uncertainty than ever before in both European Union funding and in UK Government Policy. Whilst we are in growth and continuing to develop all of our work programmes it is crucial that we are mindful of tougher times ahead and that we continue to manage the cost side of the organisation prudently.

Objectives and activities (continued)

c. Activities undertaken to achieve objectives

To achieve its charitable aims IfA stages training events on topics covering Soil Enrichment and Precision Livestock Farming & Animal Welfare. When organising such events it ensures that they embrace, promote and advance agricultural education and best practice, enable the establishment of networks for the transfer of knowledge with the overall aim of contributing to the well-being and prosperity of the Agricultural community.

It is the Charity's intention that it will continue to develop and enhance its network of agricultural societies around England to improve the communication between the technical research institutions and farmers relating to agricultural and horticultural issues. During 2016 Cheshire Agricultural Society joined Innovation for Agriculture's network to bring the total number of societies participating in the initiative to 16. During 2022, no societies joined or left.

d. Main activities undertaken to further the Charity's purposes for the public benefit

As identified above the Charity arranges training events on topics covering Soil Enrichment, Precision Livestock Farming and antimicrobial resistance and the appropriate use of Antibiotics. When organising such events it ensures that they embrace, promote and advance agricultural education and best practice, to enable the enhancement of networks for the transfer of knowledge.

The events lead to an improvement in animal welfare, soil health and freshwater quality.

Achievements and performance

Financial review

a. Going concern

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

b. Reserves policy

In the medium term, IfA aspires to hold reserves equivalent to 50% of annual operating costs and for the Charity to move its focus to generating an increasing proportion of its income from operations rather than relying entirely on fund-raising from other charities and institutions. The Trustees are pleased with what has been achieved in this regard in the five periods of operation.

At 31 December 2022 the total free reserves amounted to £159,241 (2021 - £140,407) which are expected to produce negligible income.

Structure, governance and management

a. Constitution

Innovation for Agriculture ("IfA" or the "Charity") is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 11 December 2013. Under Section 60 of the Companies Act 2006 it is exempt from the requirement to use the word "limited" after its name. It is registered as a charity with the Charity Commission. Subject to the approval of the Trustees, membership is open to all and at 31 December 2022 there were five members (2021: five members), each of whom has agreed to contribute £10 in the event of the Charity winding up.

As reflected in the updated Articles of Association effective from 1 June 2023, the sole member of the charitable company became the Royal Agricultural Society of England (charity registration number 209961). The member's liability remains limited as reflected in note 21 of these financial statements.

b. Methods of appointment or election of Trustees

The initial Trustees were nominated by the sponsoring agricultural societies. As set out in the Articles of Association, the Chairman of the Board of Trustees is appointed by the other Trustees and, as for all other Trustees, serves until he is required to retire by rotation at the Annual General Meeting. Trustees have no formal service agreements. The Board meets at least quarterly to conduct the business of the Charity. Two independent Trustees also form part of the Board, each of whom brings relevant experience to assist the Charity with the achievement of its objectives.

Statement of Trustees' responsibilities

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

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

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

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

Trustees' Report (continued)
For the Year Ended 31 December 2022

Disclosure of information to auditors

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

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

Auditors

The directors, having been notified of the cessation of the partnership known as Dains LLP, resolved that Dains Audit Limited be appointed as successor auditor with effect from 1 April 2022. The auditors, Dains Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



P J Westaway
Chairman

Date: 20 September 2023

Independent Auditors' Report to the Members of Innovation for Agriculture

Opinion

We have audited the financial statements of Innovation for Agriculture (the 'charity') for the year ended 31 December 2022 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 December 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 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

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.

Independent Auditors' Report to the Members of Innovation for Agriculture (continued)

Other information

The other information comprises the information included in the Annual report other than the financial statements and our Auditors' report thereon. The Trustees are responsible for the other information contained within the Annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- 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
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' Report and from the requirement to prepare a Strategic Report.

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the 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.

Independent Auditors' Report to the Members of Innovation for Agriculture (continued)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the senior statutory auditor ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the financial reporting legislation, Companies Act 2006, taxation legislation, anti-bribery, employment, and environmental and health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC, relevant regulators and the company's legal advisors.

Independent Auditors' Report to the Members of Innovation for Agriculture (continued)

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

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

Use of our report

This report is made solely to the 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.



Mark Gurney FCCA (Senior Statutory Auditor)

for and on behalf of
Dains Audit Limited

Statutory Auditor
Chartered Accountants

Birmingham

20 September 2023

Innovation for Agriculture
(A company limited by guarantee)

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

	Note	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £	Total funds 2021 £
Income from:					
Donations and legacies	4	153,589	277,890	431,479	448,532
Charitable activities	5	58,417	-	58,417	96,223
Other income	6	125	-	125	25,000
Total income		212,131	277,890	490,021	569,755
Expenditure on:					
Raising funds	7	10,800	-	10,800	12,724
Charitable activities	8	181,606	277,890	459,496	668,924
Total expenditure		192,406	277,890	470,296	681,648
Net movement in funds		19,725	-	19,725	(111,893)
Reconciliation of funds:					
Total funds brought forward		140,407	-	140,407	252,300
Net movement in funds		19,725	-	19,725	(111,893)
Total funds carried forward		160,132	-	160,132	140,407

The notes on pages 14 to 31 form part of these financial statements.

Innovation for Agriculture
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Balance Sheet
As at 31 December 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	12	891	-
Current assets			
Debtors	13	188,953	83,254
Cash at bank and in hand		197,583	422,504
		<u>386,536</u>	<u>505,758</u>
Creditors: amounts falling due within one year	14	(227,295)	(365,351)
Net current assets		<u>159,241</u>	<u>140,407</u>
Total net assets		<u><u>160,132</u></u>	<u><u>140,407</u></u>
Charity funds			
Unrestricted funds	15	160,132	140,407
Total funds		<u><u>160,132</u></u>	<u><u>140,407</u></u>

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

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

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



P J Westaway
Chairman

Date: 20 September 2023

The notes on pages 14 to 31 form part of these financial statements.

Innovation for Agriculture
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Statement of Cash Flows
For the Year Ended 31 December 2022

	Note	2022 £	2021 £
Cash flows from operating activities			
Net cash used in operating activities	17	(223,772)	(245,324)
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,149)	-
Net cash (used in)/provided by investing activities		(1,149)	-
Cash flows from financing activities			
Net cash provided by financing activities		-	-
Change in cash and cash equivalents in the year		(224,921)	(245,324)
Cash and cash equivalents at the beginning of the year		422,504	667,828
Cash and cash equivalents at the end of the year	18	<u>197,583</u>	<u>422,504</u>

The notes on pages 14 to 31 form part of these financial statements

1. General information

Innovation for Agriculture is a charitable company incorporated in England and Wales and registered with the Charity Commission. The address of the registered office is given in the reference and administrative details section of these financial statements. The nature of the Charity's operations and principal activities are detailed in the Trustees Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Innovation for Agriculture 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

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

2.3 Income

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

Grants are included in the Statement of financial activities on a receivable basis. The balance of income received for specific purposes but not expended during the period is shown in the relevant funds on the Balance sheet. Where income is received in advance of entitlement of receipt, its recognition is deferred and included in creditors as deferred income. Where entitlement occurs before income is received, the income is accrued.

Gifts in kind donated for distribution are included at valuation and recognised as income when they are distributed to the projects. Gifts donated for resale are included as income when they are sold.

Where the donated good is a fixed asset, it is measured at fair value, unless it is impractical to measure this reliably, in which case the cost of the item to the donor should be used. The gain is recognised as income from donations and a corresponding amount is included in the appropriate fixed asset class and depreciated over the useful economic life in accordance with the Charity's accounting policies.

On receipt, donated professional services and facilities are recognised on the basis of the value of the gift to the Charity which is the amount it would have been willing to pay to obtain services or facilities of equivalent economic benefit on the open market; a corresponding amount is then recognised in expenditure in the period of receipt.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

2. Accounting policies (continued)

2.3 Income (continued)

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 Expenditure

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

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

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

All expenditure is inclusive of irrecoverable VAT.

2.5 Government grants

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

2.6 Tangible fixed assets and depreciation

Tangible fixed assets costing £500 or more are capitalised and recognised when future economic benefits are probable and the cost or value of the asset can be measured reliably.

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

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following bases:

Fixtures and fittings	- 33% straight-line
Computer equipment	- 33% straight-line

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. Accounting policies (continued)

2.7 Debtors

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

2.8 Cash at bank and in hand

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

2.9 Liabilities and provisions

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

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

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

2.10 Financial instruments

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

2.11 Pensions

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

2.12 Fund accounting

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

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

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

3. Critical accounting estimates and areas of judgement

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

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

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

4. Income from donations and legacies

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Donations	6,179	-	6,179
Grants	147,410	277,890	425,300
	<u>153,589</u>	<u>277,890</u>	<u>431,479</u>

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Donations	10,000	-	10,000
Grants	48,724	342,258	390,982
Government grants	47,550	-	47,550
	<u>106,274</u>	<u>342,258</u>	<u>448,532</u>

The Charity has been eligible to claim from the Government's support schemes in response to the Covid-19 outbreak. The Charity furloughed certain staff under the Government's Coronavirus Job Retention Scheme (CJRS). The funding received of £nil (2021: £47,550) relates to claims made in respect of the year.

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

5. Income from charitable activities

	Unrestricted funds 2022 £	Total funds 2022 £
Events income	58,417	58,417

	Unrestricted funds 2021 £	Total funds 2021 £
Events income	96,223	96,223

6. Other incoming resources

	Unrestricted funds 2022 £	Total funds 2022 £
Other income	125	125

	Unrestricted funds 2021 £	Total funds 2021 £
Business interruption insurance claim	25,000	25,000

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

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2022 £	Total funds 2022 £
Consultancy	10,800	10,800
	Unrestricted funds 2021 £	Total funds 2021 £
Entertainment	1,924	1,924
Consultancy	10,800	10,800
	12,724	12,724

8. Analysis of expenditure by activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total funds 2022 £
Charitable activities	411,144	48,352	459,496

	Activities undertaken directly 2021 £	Support costs 2021 £	Total funds 2021 £
Charitable activities	538,877	130,047	668,924

Analysis of direct costs

	Total funds 2022 £	Total funds 2021 £
Staff costs	321,491	385,888
Professional fees	30,653	98,378
Events costs	59,000	54,611
	411,144	538,877

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8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2022 £	Total funds 2021 £
Depreciation	258	2,364
Travel and subsistence	6,294	9,532
HR costs	4,221	3,737
Bank charges	1,491	1,033
Advertising and marketing	8,818	2,470
Telephone	3,794	3,605
Insurance	2,136	2,864
IT contracts	6,122	2,947
Printing, postage and stationery	347	57
Subscriptions	1,617	5,362
Rent	3,000	18,000
Foreign exchange differences	(116)	37,921
Irrecoverable VAT	3,309	32,667
Governance costs	7,061	7,488
	<u>48,352</u>	<u>130,047</u>

9. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>5,400</u>	<u>4,900</u>

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

10. Staff costs

	2022 £	2021 £
Wages and salaries	295,633	338,486
Social security costs	17,481	33,492
Pension costs	8,377	13,910
	<u>321,491</u>	<u>385,888</u>

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

	2022 No.	2021 No.
Staff	<u>10</u>	<u>10</u>

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

Key management personnel are deemed to be those having authority and responsibility delegated to them by the Charity for planning, directing and controlling the activities of the Charity. During 2022 the total amounts paid to key management personnel was £20,944 (2021 - £41,360).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2021 - £NIL).

During the year the Chairman of the Trustees provided his service to the charity via a service contract to facilitate fund-raising efforts. During the year the Chairman was paid £10,800 (2021: £10,800).

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12. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 January 2022	1,330	10,929	12,259
Additions	-	1,149	1,149
At 31 December 2022	<u>1,330</u>	<u>12,078</u>	<u>13,408</u>
Depreciation			
At 1 January 2022	1,330	10,929	12,259
Charge for the year	-	258	258
At 31 December 2022	<u>1,330</u>	<u>11,187</u>	<u>12,517</u>
Net book value			
At 31 December 2022	<u>-</u>	<u>891</u>	<u>891</u>
At 31 December 2021	<u>-</u>	<u>-</u>	<u>-</u>

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13. Debtors

	2022 £	2021 £
Trade debtors	23,037	4,213
Other debtors	-	7,202
Prepayments and accrued income	165,916	71,839
	<u>188,953</u>	<u>83,254</u>

14. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	4,963	26,906
Other taxation and social security	38,238	36,244
Other creditors	52,474	178,230
Accruals and deferred income	131,620	123,971
	<u>227,295</u>	<u>365,351</u>

	2022 £	2021 £
Deferred income at 1 January 2022	119,256	124,927
Resources deferred during the year	112,248	-
Amounts released from previous periods	(106,739)	(5,671)
	<u>124,765</u>	<u>119,256</u>

Deferred income relates to grant funding for which conditions and deliverables had not been met at the balance sheet date.

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15. Statement of funds

Statement of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Balance at 31 December 2022 £
Unrestricted funds				
General Funds	140,407	212,131	(192,406)	160,132
Restricted funds				
H2020 - Nefertiti	-	69,271	(69,271)	-
H2020 - DISARM	-	40,660	(40,660)	-
H2020 - FAIRshare	-	67,581	(67,581)	-
H2020 - SmartAgriHubs	-	30,265	(30,265)	-
H2020 - DECIDE	-	14,344	(14,344)	-
H2020 - Climate Farm	-	4,155	(4,155)	-
Cadogan	-	34,329	(34,329)	-
Dulverton Trust	-	5,930	(5,930)	-
Elizabeth Creak	-	5,835	(5,835)	-
Nitrogen Reduction	-	5,520	(5,520)	-
	-	277,890	(277,890)	-
Total of funds	140,407	490,021	(470,296)	160,132

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Notes to the Financial Statements
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15. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Balance at 31 December 2021 £
Unrestricted funds				
General Funds	243,465	227,497	(330,555)	140,407
Restricted funds				
H2020 - IWMPRAISE	-	3,525	(3,525)	-
H2020 - Nefertiti	-	130,236	(130,236)	-
H2020 - DISARM	-	80,903	(80,903)	-
H2020 - EURAKNOS	-	89,281	(89,281)	-
H2020 - FAIRshare	-	25,988	(25,988)	-
H2020 - DECIDE	-	1,145	(1,145)	-
H2020 - RUCAPS	-	5,509	(5,509)	-
Linbury	8,835	-	(8,835)	-
Cadogan	-	5,671	(5,671)	-
	8,835	342,258	(351,093)	-
Total of funds	252,300	569,755	(681,648)	140,407

15. Statement of funds (continued)

H2020 – IWMPRAISE

IWMPRAISE aims to support the implementation of Integrated Weed Management (IWM). IWMPRAISE demonstrates that adoption of IWM supports more sustainable cropping systems both agronomically and environmentally, which are resilient to external impacts without jeopardising profitability or the steady supply of food, feed and biomaterials.

H2020 – Nefertiti

17 Countries, 10 Networks, 45 Regional Hubs 267 Events. The overall objective of Nefertiti is to establish as EU wide connected network of demonstration and pilot farms, designed to enhance knowledge exchange and cross-fertilisation among participants. This project aims to improve innovation uptake in the farming sector through peer to peer learning and demonstration of management techniques across the 10 major agricultural challenges in Europe. Due to our strong links to practical agriculture, IfA has been well respected in this project, Richard Lloyd has led KE at European meetings and Deborah Crossan is offering training for On-Line Demonstrations following our experience with The Greatest On-Line Agricultural Show earlier this year.

H2020 - DISARM

DISARM (Disseminating Innovative Solutions for Antibiotic Resistance Management) aims to bring people together to discuss and share effective, practical solutions to promote and sustain responsible antibiotic use whilst maintaining or improving animal welfare and farm economic performance. Practical innovations will be gathered in an online database, and an online Community of Practice allows farmers, farm advisors and veterinarians, researchers, and other industry actors to share their expertise. Case study examples of a Multi-Actor Farm Team approach to developing an action plan tailored to individual farms will also be produced alongside guidance to set up and coach your own farm team. Results will be communicated to farmers and farm advisors through best practice abstracts, guides, videos and a series of events and workshops.

H2020 - Euraknos

EURAKNOS believes the future of innovation in EU agriculture and forestry is based on the improved (digital) exchange of best practices between farmers, researchers and advisors from different sectors and member states. EURAKNOS aims to reinforce the EU agricultural knowledge base by building the blueprint for a data-system which would enable the farming/rural community easier access to best practices from all EU H2020 thematic networks. To realise this, EURAKNOS will co-create the "thematic network to connect all thematic networks" to map the existing knowledge within each network, develop best practices for effective thematic network projects integrating the multi-actor approach for high impact, and develop a prototype online data platform.

H2020 - FAIRshare: (Digital Tools for Farm Advisors)

A 7-million-euro project, co-funded by the European Commission under the Horizon 2020 initiative. Being led by Teagasc, the Irish Agriculture and Food Development Authority, the project brings together 22 partners from 15 countries across Europe. This 5 year project will engage, enable and empower the independent farm advisory community, through sharing of tools, expertise and experiences. IfA is leading Work Package 4: Learning from the adoption of new Digital Agriculture Tools & Services (DATS) by advisors in diverse advisory and farming contexts across the EU.

H2020 - RUCAPS

16 participants, 5 countries including Chile and Argentina. To enhance and implement knowledge based ict solutions within high risk and uncertain conditions for agricultural production systems. IfA play a practical role in this project, helping to identify the current challenges and conditions in agriculture, which may in the future, require ict solutions. These include environmental uncertainty and considers inputs, packaging and other post-harvest considerations. IfA have hosted visits to the UK by other partners and have participated in exchange visits to see crop production in Italy. Knowledge share and peer to peer learning are a vital part of this consortium.

15. Statement of funds (continued)

H2020 - SmartAgriHubs

A €20 million 4 years project part of the EU H2020 initiative, aiming to accelerate the digital transformation of the agri-food sector in Europe. The project has the potential to be a real game changer in the adoption of digital solutions by the farming sector. SmartAgriHubs will leverage, strengthen and connect local Digital Innovation Hubs, and Competence Centres (CCs) throughout Europe. Given its widespread geographical coverage, SmartAgriHubs is using a regional cluster approach, where each cluster represents a group of DIHs and CCs within a region. The project covers all 28 Member States who have been divided into 9 Regional Clusters. SmartAgriHubs also has a wide sectorial outreach, covering a variety of agricultural sectors and application areas which have been organised into 5 groups: livestock, vegetables, fruit, arable farming and aquaculture. We, IfA are co-leading the Regional Cluster UK & Ireland.

Cadogan

IfA aims to attend nine agricultural shows and six specialist trade events each year with a trade stand full of the latest advice on antibiotic reduction and technology. The specialist events attract the progressive farmers, covering all the major livestock sectors and attracting in excess of 40,000 visitors each year, including farm consultants and advisers. The agricultural shows attract a broad farming and rural public - progressive farmers as well as the more 'difficult to reach' traditional farmers and smallholders. To support this IfA will develop 20 short YouTube videos per year. These cover antibiotic use in dairy, beef, pigs, sheep and poultry, capturing practical tips on how farmers can improve practice to reduce use.

Dulverton Trust

The Dulverton Trust have granted £40,000 to fund 1 years worth of KE programmes focusing specifically on ways farmers can reduce GHG emissions. This will include one large technical event and the development of 1 focus group which consists of 8 farmers meeting regularly to discuss mitigation strategies.

Elizabeth Creak

The Elizabeth Creak Charitable Trust awarded IfA £81,000 for a 1 year programme which works to bring together farmers and policy makers to collectively tackle problems and to work together in the development of future policy. This will include 3 separate groups focusing on 3 different challenges facing the agricultural sector.

Nitrogen Reduction

This grant was awarded to develop a community of practice (COP) where a group of farmers came together, facilitated by IfA, to address ways in which they might reduce artificial nitrogen reduction on farm. This includes online discussions and in person farm walks and study tours.

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £	Restricted funds 2022 £	Total funds 2022 £
Tangible fixed assets	891	-	891
Current assets	335,646	50,890	386,536
Creditors due within one year	(176,405)	(50,890)	(227,295)
Total	160,132	-	160,132

Analysis of net assets between funds - prior year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total funds 2021 £
Current assets	210,479	295,279	505,758
Creditors due within one year	(70,072)	(295,279)	(365,351)
Total	140,407	-	140,407

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

	2022 £	2021 £
Net income/expenditure for the year (as per Statement of Financial Activities)	19,725	(111,893)
Adjustments for:		
Depreciation charges	258	2,363
Increase in debtors	(105,699)	(54,826)
Decrease in creditors	(138,056)	(80,968)
Net cash used in operating activities	(223,772)	(245,324)

18. Analysis of cash and cash equivalents

	2022 £	2021 £
Cash in hand	146,693	246,480
Cash held for grants	50,890	176,024
Total cash and cash equivalents	197,583	422,504

19. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	422,504	(224,921)	197,583

20. Pension commitments

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £8,377 (2021 - £13,910). Contributions totalling £1,570 (2021 - £2,193) were payable to the fund at the balance sheet date and are included in creditors.

21. 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 they are a member, or within one year after they cease to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before they cease to be a member.

22. Related party transactions

The Charity is controlled by the Directors (the Trustees), whose names are shown on page 1. The Charity took out Professional Indemnity Insurance however the premium cost is not separately identifiable within the overall insurance package (2021 - £997). This cover protects the Charity from losses arising from the neglect or default of Trustees and seconded employees. It also indemnifies the Trustees or other officials against the consequences of any neglect or default on their part.

During the year the Charity was recharged £7,294 (2021 - £26,951) from the Royal Agricultural Society of England, a related party due to it being a member of the Charity, for rent and office running costs. The Royal Agricultural Society of England also made grants to the Charity in the year of £75,000 (2021 - £Nil).

At the year end £57,620 was due from (2021 - £14,883 was due to) the Royal Agricultural Society of England.

23. Post balance sheet events

As reflected in the updated Articles of Association effective from 1 June 2023, the sole member of the charitable company became the Royal Agricultural Society of England (charity registration number 209961). The member's liability remains limited as reflected in note 21.