

Innovation for Agriculture

Trustees' Report and Financial Statements

For the year ended 31 December 2023

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 2023

Trustees	P J Westaway, Chairman D R Galbraith A W Ward (resigned 27 June 2023) P J Gready (Royal Agricultural Society of England) (appointed 13 November 2023) R N F Drewett (The Royal Bath & West of England Society) L Morgans (appointed 1 May 2024) R W Taplin (appointed 1 May 2024) F Obiero (appointed 1 May 2024)
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

Chairman's Statement
For the year ended 31 December 2023

I am pleased to report that overall, 2023 was a good year for Innovation for Agriculture (IfA).

The Charity reported a surplus of £29,892 for 2023 which builds on the surplus recorded in 2022 and marks a significant improvement in balance sheet strength following the deficit reported in 2021 when COVID severely undermined IfA's ability to deliver its knowledge exchange programmes.

On June 1st 2023, the Charity changed the membership structure. The existing regional Agricultural Societies became Agricultural Society Members whilst the Royal Agricultural Society of England (RASE) became the sole Financial Member. This change provides a secure financial platform for all those involved in supporting the Charity and I am most grateful to the Board of RASE and all our members for their input throughout the process. The Charity has 17 existing Agricultural Society Members and is in discussions with additional regional societies which are interested in becoming members.

In all IfA was involved in 13 projects during 2023, most notably supporting RASE with its knowledge exchange programme following publication of 'Farm of the Future – Journey to Net Zero Report'. IfA conducted a series of action groups, demonstration events and farm study tours, engaging with the farming community across scale and sectors.

The Charity was most grateful for the generous unrestricted funding received during 2023. The Esmée Fairbairn Foundation agreed to support IfA by providing a grant over 3 years, with the first tranche gratefully received in December 2023. Another long-standing partner, The Garfield Weston Foundation provided further support and The Joseph Nickerson Charitable Foundation continued with their long-standing support. On behalf of the Board of Trustees I would like to record how immensely grateful the Charity is for this funding.

IfA was also delighted to receive considerable restricted funding from The Dulverton Trust and The Elizabeth Creak Charitable Trust to support two new projects during 2023. The Dulverton Trust granted funds to promote the dissemination of the key messages from the Royal Agricultural Society of England 'Farm of the Future – Journey to Net Zero Report' with the greatest emphasis on reducing emissions associated with livestock production. This funding was also instrumental in allowing IfA to co-host a pioneering demonstration event alongside Harper Adams University on 13th April 2023 which brought the report to life and provided an opportunity for farmers to explore and better understand the necessary farm level changes required practically to undertake the challenge of Net Zero by 2040.

The Elizabeth Creak Charitable Foundation provided funding for a one-year project to set up three distinct cross-industry action groups. The small groups took part in 4-5 visits over the course of a year including farm visits of farm participants and relevant site visits with the purpose of learning more about farming and policy making. These ongoing interactions will help shape future policy at local and national levels, contribute to the co-development of practical and mutually agreed-upon solutions and ultimately lead to better buy-in to future changes across the board.

Under the Horizon Europe umbrella (the EU's key funding programme for research and innovation) IfA continued to support project DECIDE to deliver data-driven decision tools in the face of disease emergence. The five-year FAIRShare project was successfully completed in November 2023, which saw delivery of the IfA Live platform and a Carbon Decision support tool. IfA also began work on two new sister Horizon projects, Climate Farm Demo and Climate Smart Advisors, under the auspices of UKRI. These two programmes, that will run for seven years, aim to create networks of pilot farms for demonstrating climate smart solutions for a carbon neutral Europe and support the mobilisation of the European agricultural advisory community in the adoption of climate proofing agricultural operations.

IfA was also successful in becoming a project partner for Land Use for NET ZERO. Led by the James Hutton Institute and the University of Leicester the project aims to coordinate a four-nation approach to analyse, aggregate and translate evidence to support policymakers and other stakeholders to deliver transformative changes in land use, agricultural systems and soil health.

Innovation for Agriculture
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Chairman's Statement (continued)
For the year ended 31 December 2023

I would like to thank my fellow trustees for their continued support. In particular I would like to acknowledge the guidance and encouragement that Andrew Ward has given to the Board. Andrew stepped down as Trustee in June 2023 after 8 years of valued service. However, I am delighted to welcome back Philip Gready as a Trustee. Philip, who is Chairman of RASE, resigned whilst IfA's new membership structure was in the process of being implemented so as to avoid any conflict of interest. The Board also decided to increase the number of Trustees to enhance its skillset and diversity and I am thrilled to welcome Lisa Morgans, Senior Lecturer at the Royal Agricultural University (and former Head of Livestock at IfA); Roly Taplin, former IfA CEO and Flavian Obiero, proud tenant farmer of the 61-acre Tynefield Farm to the Board and look forward to working with them to deliver on the Charity's objectives.

This year I also welcome Emily Stillwell as Company Secretary and thank her for her considerable efforts over the years in administering the work of the Board and IfA staff.

I am immensely proud of the work that the team at IfA has delivered over the year. Led by our new CEO, David Grint, I am confident that IfA is well placed to support the agricultural sector as it continues to navigate the challenges that lie ahead.



P J Westaway
Chairman

Date: 14 May 2024

Trustees' report
For the year ended 31 December 2023

The Trustees present their annual report together with the audited financial statements of the Charity for the year 1 January 2023 to 31 December 2023. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the 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 Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing their aims and objectives and in planning their future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

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 eleventh full year of operation is becoming established both as an entity and within the market landscape. During 2023 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 2024. 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 2024, 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. The Charity has 17 existing Agricultural Society Members and is in discussions with additional regional societies which are interested in becoming members

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

a. Review of activities

A review of activities is contained within the Chairman's Statement.

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.

At 31 December 2023 the total free reserves amounted to £187,143 (2022 - £159,241) 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.

As reflected in the updated Articles of Association effective from 1 June 2023, the sole member of the Charity 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 2023

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

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



P J Westaway
Chairman

Date: 14 May 2024

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 2023 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 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 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.

Dains Audit Limited

Mark Gurney FCCA (Senior statutory auditor)

for and on behalf of
Dains Audit Limited

Statutory Auditor
Chartered Accountants

Birmingham

14 May 2024

Innovation for Agriculture
(A company limited by guarantee)

Statement of financial activities (incorporating income and expenditure account)
For the year ended 31 December 2023

	Note	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £	Total funds 2022 £
Income from:					
Donations and legacies	4	122,201	317,419	439,620	431,479
Charitable activities	5	101,853	-	101,853	58,417
Other income	6	183	-	183	125
Total income		224,237	317,419	541,656	490,021
Expenditure on:					
Raising funds	7	10,800	-	10,800	10,800
Charitable activities	8	183,545	317,419	500,964	459,496
Total expenditure		194,345	317,419	511,764	470,296
Net movement in funds		29,892	-	29,892	19,725
Reconciliation of funds:					
Total funds brought forward	15	160,132	-	160,132	140,407
Net movement in funds		29,892	-	29,892	19,725
Total funds carried forward	15	190,024	-	190,024	160,132

The notes on pages 15 to 32 form part of these financial statements.

Innovation for Agriculture
(A company limited by guarantee)
Registered number: 08811248

Balance sheet
As at 31 December 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	12	2,881	891
Current assets			
Debtors	13	160,135	188,953
Cash at bank and in hand	18	174,879	197,583
		<u>335,014</u>	<u>386,536</u>
Creditors: amounts falling due within one year	14	(147,871)	(227,295)
Net current assets		<u>187,143</u>	<u>159,241</u>
Total net assets		<u><u>190,024</u></u>	<u><u>160,132</u></u>
Charity funds			
Restricted funds	15	-	-
Unrestricted funds	15	190,024	160,132
Total funds		<u><u>190,024</u></u>	<u><u>160,132</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: 14 May 2024

The notes on pages 15 to 32 form part of these financial statements.

Innovation for Agriculture
(A company limited by guarantee)

Statement of cash flows
For the year ended 31 December 2023

	Note	2023 £	2022 £
Cash flows from operating activities			
Net cash used in operating activities	17	(19,685)	(223,772)
Cash flows from investing activities			
Purchase of tangible fixed assets		(3,019)	(1,149)
Net cash used in investing activities		(3,019)	(1,149)
Change in cash and cash equivalents in the year		(22,704)	(224,921)
Cash and cash equivalents at the beginning of the year		197,583	422,504
Cash and cash equivalents at the end of the year	18	174,879	197,583

The notes on pages 15 to 32 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)

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 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.

Total expenditure is inclusive of irrecoverable VAT.

2.5 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.

2.6 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. Accounting policies (continued)

2.7 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.

2.8 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.

2.9 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.

2.10 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.

2.11 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 2023

3. Critical accounting estimates and areas of judgment

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

Critical accounting estimates and assumptions:

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

Critical areas of judgment:

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 2023 £	Restricted funds 2023 £	Total funds 2023 £
Donations	115,000	-	115,000
Grants	7,201	317,419	324,620
	<hr/> 122,201 <hr/>	<hr/> 317,419 <hr/>	<hr/> 439,620 <hr/>

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

Notes to the financial statements
For the year ended 31 December 2023

5. Income from charitable activities

	Unrestricted funds 2023 £	Total funds 2023 £
Events income	101,853	101,853

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

6. Other incoming resources

	Unrestricted funds 2023 £	Total funds 2023 £
Other income	183	183

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

Notes to the financial statements
For the year ended 31 December 2023

7. Expenditure on raising funds

Costs of raising voluntary income

	Unrestricted funds 2023 £	Total funds 2023 £
Consultancy	10,800	10,800

	Unrestricted funds 2022 £	Total funds 2022 £
Consultancy	10,800	10,800

8. Analysis of expenditure by activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total funds 2023 £
Charitable activities	416,068	84,896	500,964

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

Analysis of direct costs

	Total funds 2023 £	Total funds 2022 £
Staff costs	372,821	321,491
Professional fees	20,192	30,653
Events costs	23,055	59,000
	416,068	411,144

Notes to the financial statements
For the year ended 31 December 2023

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Total funds 2023 £	Total funds 2022 £
Depreciation	1,029	258
Travel and subsistence	30,686	6,294
HR costs	4,115	4,221
Bank charges	1,308	1,491
Advertising and marketing	11,357	8,818
Telephone	2,986	3,794
Insurance	1,772	2,136
IT contracts	4,649	6,122
Printing, postage and stationery	103	347
Subscriptions	3,338	1,617
Rent	3,000	3,000
Foreign exchange differences	(8,185)	(116)
Irrecoverable VAT	21,520	3,309
Governance costs	7,218	7,061
	84,896	48,352

9. Auditor's remuneration

	2023 £	2022 £
Fees payable to the Charity's auditor for the audit of the Charity's annual financial statements	5,950	5,400

Notes to the financial statements
For the year ended 31 December 2023

10. Staff costs

	2023	2022
	£	£
Wages and salaries	337,433	295,633
Social security costs	26,457	17,481
Pension costs	8,931	8,377
	372,821	321,491

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

	2023	2022
	No.	No.
Staff	10	10

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 2023 the total amounts paid to key management personnel were £Nil (2022 - £20,944).

11. Trustees' remuneration and expenses

During the year, no Trustees received any remuneration or other benefits (2022 - £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 (2022 - £10,800).

The Charity took out Professional Indemnity Insurance however the premium cost is not separately identifiable within the overall insurance package. 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.

Notes to the financial statements
For the year ended 31 December 2023

12. Tangible fixed assets

	Fixtures and fittings £	Computer equipment £	Total £
Cost			
At 1 January 2023	1,330	12,078	13,408
Additions	-	3,019	3,019
At 31 December 2023	1,330	15,097	16,427
Depreciation			
At 1 January 2023	1,330	11,187	12,517
Charge for the year	-	1,029	1,029
At 31 December 2023	1,330	12,216	13,546
Net book value			
At 31 December 2023	-	2,881	2,881
At 31 December 2022	-	891	891

Notes to the financial statements
For the year ended 31 December 2023

13. Debtors

		2023 £	2022 £
Trade debtors		6,956	23,037
Amounts owed by group undertakings	22	67,252	-
Prepayments and accrued income		85,927	165,916
		160,135	188,953

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

14. Creditors: Amounts falling due within one year

	2023 £	2022 £
Trade creditors	1,894	4,963
Other taxation and social security	41,861	38,238
Other creditors	54,246	52,474
Accruals and deferred income	49,870	131,620
	147,871	227,295

	2023 £	2022 £
Deferred income at 1 January 2023	124,765	119,256
Resources deferred during the year	-	112,248
Amounts released from previous periods	(83,627)	(106,739)
	41,138	124,765

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

Notes to the financial statements
For the year ended 31 December 2023

15. Statement of funds

Statement of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Balance at 31 December 2023 £
Unrestricted funds				
General funds	160,132	224,237	(194,345)	190,024
Restricted funds				
H2020 - FAIRShare	-	50,619	(50,619)	-
H2020 - DECIDE	-	13,010	(13,010)	-
Climate Farm Demo	-	56,721	(56,721)	-
Climate Smart Advisors	-	9,583	(9,583)	-
Dulverton Trust	-	31,497	(31,497)	-
Elizabeth Creak	-	38,360	(38,360)	-
Farm of the Future	-	111,908	(111,908)	-
Frank Parkinson Trust	-	5,721	(5,721)	-
	-	317,419	(317,419)	-
Total of funds	160,132	541,656	(511,764)	190,024

Notes to the financial statements
For the year ended 31 December 2023

15. Statement of funds (continued)

Statement of funds - prior 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)	-
Climate Farm Demo	-	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

15. Statement of funds (continued)

Purpose of restricted funds

Horizon 2020 - Nefertiti

The overall objective of the Nefertiti project was to establish a European wide connected network of demonstration and pilot farms, designed to enhance knowledge exchange and cross-fertilisation among participants. This project aimed 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. This project was completed in 2022.

Horizon 2020 - DISARM

DISARM (Disseminating Innovative Solutions for Antibiotic Resistance Management) aimed 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 were gathered in an online database, and an online Community of Practice allowing 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 were also produced alongside guidance to set up and coach your own farm team. Results have been communicated to farmers and farm advisors through best practice abstracts, guides, videos and a series of events and workshops. This project was completed in 2022.

Horizon 2020 - FAIRshare: (Digital Tools for Farm Advisors)

Funded by the European Commission under the Horizon 2020 initiative and led by Teagasc, the Irish Agriculture and Food Development Authority, FAIRshare was a project that brought together 22 partners from 15 countries across Europe. The 5-year project enabled and empowered the independent farm advisory community, through the sharing of digital tools and services, expertise and experiences. IfA led on the Learnings from the adoption of new Digital Agriculture Tools & Services (DATS) element of the project which was completed in Q4 2023 with the EU final review meeting, in January 2024.

Horizon 2020 - SmartAgriHubs

This 4-year project aimed to accelerate the digital transformation of the agri-food sector in Europe. The project objective was to energise the adoption of digital solutions by the farming sector. The development and adoption of digital solutions was achieved by a tight ecosystem of 140 Digital Innovation Hubs embedded within Regional Clusters. The project covered 28 European countries, divided into 9 regional clusters and brought together a consortium of well over 164 partners in the agri-food sector. SmartAgriHubs also had a wide sectorial outreach, covering a variety of agricultural sectors and application areas which were organised into 5 groups: livestock, vegetables, fruit, arable farming and aquaculture. IfA co-led the Regional Cluster for the UK & Ireland. This project was completed in 2022.

Horizon 2020 - DECIDE

This project is a five-year Horizon 2020 project which commenced in 2021 and will develop data-driven decision support tools that offer robust and early signals of disease emergence and options for diagnostic confirmation. Options will be provided for controlling the disease along with their implications in terms of disease spread, economic burden and animal welfare. IfA has successfully conducted the pilot focus groups for the UK which are now considered among the core focus groups in the cattle cluster and IfA is expecting to contribute to the pilots (cattle living labs) which will test on the ground, the diagnostic tools for early diagnose of herd diseases. Evaluation of the matrix of tools that connects the tools, species, countries will be finalised in the next few months to explore ways to collaborate across species or countries. Next General Assembly meeting will be hosted by INRAE in Nantes (FR).

15. Statement of funds (continued)

Horizon Europe - Climate Farm Demo

This seven-year project commenced in Q4 2022 and its objective is to build a European-wide network of pilot farms implement and demonstrate climate smart solutions for a carbon neutral Europe. IfA has the role of national coordinator for the UK network supervising and organising the farm related activities at national level and coordinating the UK farming networks. IfA is also leading the thematic network on herd management. A network of 130 demo farms will be established across the UK of which IfA will recruit c45 farms. These farms will showcase best-practice in climate smart farming, hosting demonstration events for the wider farming community, to share their experiences of implementing climate adaption and mitigation measures. Demo farmers will receive support from a climate smart advisor, and they will work together to produce a climate adaption and mitigation plan which is tailored to their own farm business.

Horizon Europe - Climate Smart Advisors

This project is a sister programme to Climate Farm Demo and has seven-year life span to mobilize the European agricultural advisory community, leading to an acceleration of the adoption of climate smart farming practices by the wider farming community. Climate Smart Advisors commenced in Q2 2023 and will boost the role of agricultural advisory services by strengthening their capacity in providing targeted advice, and by implementing the approaches and sharing the solutions developed by Climate Farm Demo on a wider scale, across Europe and associated countries. In figures, the project will directly engage with a minimum of 1,500 advisors - 140 to be trained as Climate Smart Coaches, equipped to support capacity building in their peers, and 1,360 supported in their development as Climate Smart Advisors.

IfA is the National Coordinator for the UK, leading an extended group of five project partners including Scotland's Rural College (SRUC) and Department of Agriculture, Environment and Rural Affairs, NI (DAERA) too. IfA will be responsible for 6 Communities of Practice and will recruit and train a total of 36 advisors who will support the farms taking part in the Climate Farm Demo project with climate proofing their businesses.

Cadogan

Funds were received to allow IfA to attend various agricultural shows and specialist trade events with a trade stand promoting the latest advice on antibiotic reduction and technology. The specialist events attracted 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 attracted a broad farming and rural public - progressive farmers as well as the more 'difficult to reach' traditional farmers and smallholders. To support this programme IfA developed a number of short YouTube videos. These covered antibiotic use in dairy, beef, pigs, sheep and poultry, capturing practical tips on how farmers can improve practice to reduce use. This project was completed in 2022.

The Dulverton Trust

The Dulverton Trust have funded 1 years' worth of knowledge exchange programmes focusing specifically on ways farmers can reduce greenhouse gas 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 funding 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.

The Frank Parkinson Agricultural Trust - Nitrogen Reduction

This grant was awarded to develop a community of practice 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. The project is expected to be completed in June 2024.

Notes to the financial statements
For the year ended 31 December 2023

15. Statement of funds (continued)

Farm of the Future

The farm businesses of the future must optimise food production, farm profitability, taking care of the environment and people. The RASE Farm of the Future initiative, supported by the Esmée Fairbairn Foundation, which is delivered in partnership with IfA, identifies and shares agricultural solutions, technologies and practices which can help farm businesses, people and wider communities to thrive. The initiative began with the publication of the RASE Farm of the Future: Journey to Net Zero report in 2022, which set out a vision for how farm businesses in the UK could maintain their primary purpose of food production while responding to the climate crisis and biodiversity loss.

16. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £	Restricted funds 2023 £	Total funds 2023 £
Tangible fixed assets	2,881	-	2,881
Current assets	241,346	93,668	335,014
Creditors due within one year	(54,203)	(93,668)	(147,871)
Total	190,024	-	190,024

Analysis of net assets between funds - prior 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

Notes to the financial statements
For the year ended 31 December 2023

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

	2023 £	2022 £
Net income for the year (as per Statement of Financial Activities)	29,892	19,725
Adjustments for:		
Depreciation charges	1,029	258
Decrease/(increase) in debtors	28,818	(105,699)
Decrease in creditors	(79,424)	(138,056)
Net cash used in operating activities	(19,685)	(223,772)

18. Analysis of cash and cash equivalents

	2023 £	2022 £
Cash at bank	122,348	146,693
Cash held for grants	52,531	50,890
Total cash and cash equivalents	174,879	197,583

19. Analysis of changes in net debt

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	197,583	(22,704)	174,879

Notes to the financial statements
For the year ended 31 December 2023

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 £8,931 (2022 - £8,377). Contributions totalling £1,702 (2022 - £1,570) were payable to the fund at the balance sheet date and are included in creditors.

21. Member's liability

The sole 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

During the year, the Charity was charged £66,759 (2022 - £7,294) for rent and office running costs by the Royal Agricultural Society of England, a related party due to it being a member of the Charity and, as of 1 June 2023, the immediate and ultimate parent.

The Royal Agricultural Society of England made grants to the Charity in the year of £Nil (2022 - £75,000).

The Charity recharged a total of £214,867 to the Royal Agricultural Society of England. This related to salary recharges of £34,925 (2022 - £Nil) and specific charges relating to projects outsourced to the Charity of £179,942 (2022 - £Nil).

At the balance sheet date, a net balance of £67,252 (2022 - £57,620) was due from the Royal Agricultural Society of England to the Charity (see note 13).

23. Controlling party

As reflected in the updated Articles of Association effective from 1 June 2023, the sole financial member of the Charity became the Royal Agricultural Society of England (charity registration number 209961). The Charity is ultimately controlled by the Trustees of the Royal Agricultural Society of England.