

NIAB EMR

England & Wales · Charity number 1165055

Details

Status	Registered
Legal form	Charitable company
Company number	09894859
Registered	2016-01-05
Register	View on the Charity Commission register

Contact

Address	Niab Emr 93 Lawrence Weaver Road Cambridge CB3 0LE
Phone	01223342200
Email	info@niab.com
Website	www.niab.com

Activities

Objects: THE CHARITY'S OBJECTS ('OBJECTS') ARE SPECIFICALLY RESTRICTED TO THE FOLLOWING:(1) TO ADVANCE EDUCATION IN THE BIOSCIENCES AND IN PARTICULAR, HORTICULTURE AND PLANT BASED SCIENCE, PRIMARILY THROUGH THE PROMOTION OF RESEARCH AND DEVELOPMENT WORK AND THE PUBLICATION OF THE USEFUL RESULTS THEREOF FOR THE BENEFIT OF THE PUBLIC;(2) TO ADVANCE SCIENCE FOR PUBLIC BENEFIT, PRIMARILY THROUGH THE SUPPORT OF RESEARCH AND DEVELOPMENT, PARTICULARLY IN THE FIELDS OF HORTICULTURAL AND OTHER PLANT BASED DISCIPLINES; AND (3) TO PROMOTE AGRICULTURE, HORTICULTURE AND ARBORICULTURE ANYWHERE IN THE WORLD BY SUCH CHARITABLE MEANS AS THE DIRECTORS SHALL DETERMINE.

Activities: Strategic and applied research in horticultural and environmental sciences is conducted across three themes: Genetics, Genomics and Breeding; Pest and Pathogen Ecology; Crop Science and Production Systems. Delivery of knowledge, publication of results, provision of products and services through focus on translating science into practise.

Classification

- **How:** Provides Services, Sponsors Or Undertakes Research
- **What:** Education/training, Arts/culture/heritage/science, Environment/conservation/heritage, Human Rights/religious Or Racial Harmony/equality Or Diversity, Other Charitable Purposes
- **Who:** Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- Throughout England And Wales

Finances

Period end	Income	Expenditure	Assets	Employees
2024-03-31	£17,000	£4,000	-	-
2023-03-31	£50,000	£52,000	-	-
2022-03-31	£666,197	£691,295	£1,623,000	0
2021-03-31	£7,302,000	£5,505,000	£1,646,000	65
2020-03-31	£5,761,000	£5,421,000	£-151,000	70

Trustees

Name	Role	Appointed
Jonathan Peter Regan		2023-11-14
Professor Mario Jose Caccamo		2021-10-01

NIAB EMR

England & Wales - Charity number 1165055

Accounts

NIAB EMR
(A company limited by guarantee)

Trustees' Report and Financial Statements

For the Year Ended 31 March 2023

NIAB EMR
(A company limited by guarantee)

Contents

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Trustees' report	2 - 6
Independent auditors' report on the financial statements	7 - 10
Statement of financial activities	11
Balance sheet	12
Notes to the financial statements	13 - 24

NIAB EMR
(A company limited by guarantee)

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

Trustees	Dr N W Kerby MBE, Chair Prof M J Caccamo
Company registered number	09894859
Charity registered number	1165055
Registered office	93 Lawrence Weaver Road Cambridge CB3 0LE
Company secretary	Dr J McKee
NIAB Chief executive	Prof M J Caccamo
Independent auditors	Moore Kingston Smith LLP Statutory Auditors 9 Appold Street London EC2A 2AP
Bankers	Barclays Bank PLC 1 Churchill Place Canary Wharf London E14 5HP
Solicitors	Birketts LLP 22 Station Road Cambridge CB1 2JD Thomson Snell & Passmore LLP 3 Lonsdale Gardens Tunbridge Wells Kent TN1 1NX

TRUSTEES' REPORT INCORPORATING THE STRATEGIC REPORT

STRATEGIC REVIEW

Background

NIAB EMR was incorporated in November 2015 and commenced activities when NIAB bought the business and assets of East Malling Research on 9 February 2016.

NIAB EMR is a wholly owned subsidiary charity of NIAB. On 1 April 2021 the majority of the business, assets and liabilities of the charity were merged into NIAB. All NIAB EMR's employees were transferred to NIAB and to fulfill its contractual obligations NIAB EMR contracts the expertise of NIAB and utilises its facilities at East Malling.

Strategy & Public Benefit

The operations of NIAB EMR are an integral part of the strategy of the wider NIAB Group.

In 2022/23, NIAB EMR continued to receive income from a single contract that had not been novated to NIAB. An agreement with AHDB will remain in place until mid-2023. As such, NIAB EMR will continue to report financial activity through to 2023/24 and will continue to contract necessary services, expertise, and facilities from NIAB.

The Trustees are satisfied they have complied with their duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. The Trustees believe the activities of NIAB EMR to be scientific and therefore charitable in nature.

Performance

Performance against the specific 2022/23 objectives is highlighted in the table below:

Objectives	Performance
Through NIAB, NIAB EMR will continue to deliver the remaining AHDB contract under the terms of the agreement	The project with the title "Diagnostic tests to assess Fusarium disease risk and monitor soil microbiome", will continue to be delivered by NIAB EMR until its conclusion in mid-2023.

Objectives for 2023/24

Through NIAB, NIAB EMR will continue to deliver the remaining AHDB contract under the terms of the agreement.

FINANCIAL REVIEW

Income

Total incoming resources for the period were £50k (2022: £666k). The income is derived from a research grant.

Fundraising

NIAB EMR does not undertake fundraising activities.

Expenditure

Total outgoing ordinary expenditure totaled £52k (2022: £689k). Of that amount £39k (2022: £550k) related to staff costs for staff employed by NIAB but working on a NIAB EMR project with amounts being charged to NIAB EMR for their time.

Capital Expenditure

The charity made no capital purchases in the year (2022: £Nil).

Business Review and Key Performance Indicators

The only Key Performance Indicator is the fulfillment of its remaining research contract.

Subsidiaries and related parties

NIAB EMR is part of the NIAB Group of companies; NIAB (Charity No: 1064230) controls NIAB EMR through its membership of the charity. The results of NIAB EMR are consolidated within NIAB's financial statements.

Reserves Policy

The total charity reserves are £1,621k (2022: £1,623k). NIAB EMR reserves will be managed until the final delivery of the remaining contract with AHDB.

Accounting Period

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

Related parties

Other than other group entities within the NIAB group there were no related parties.

Going Concern

The Trustees have acknowledged the guidance on going concern and financial reporting published by the Financial Reporting Council in 2016.

The ultimate parent undertaking is NIAB (charity no: 1064230). The majority of the business, assets and liabilities of NIAB EMR have been merged into NIAB to

form a single entity on a going concern basis.

The Trustees have reviewed the NIAB Group cash flows and management accounts supporting NIAB's activities for the period to 31 March 2025.

The Trustees have considered the following in arriving at their conclusions on going concern: -

1. NIAB's cash flow forecast and latest management accounts, which give confidence that the charity can continue to pay its debts as they fall due, through the provision of ongoing support of National Institute of Agricultural Botany Trust (TRUST).
2. TRUST have confirmed to the NIAB group that, through the provision of facilities and funding, said support will remain in place to March 2025.
3. The TRUST's joint responsibility to the Pension Scheme includes to fund future Pension Scheme Recovery Plan payments.

After making enquiries and considering the current uncertainties the Trustees have a reasonable expectation that both the charity and NIAB have adequate resources to continue in operational existence for at least twelve months from the date of approval of these financial statements, and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

RISK ASSESSMENT AND MANAGEMENT

The risks of NIAB EMR are considered by the NIAB Board of Trustees who are responsible for ensuring there are effective and adequate risk management and internal control systems in place to manage the major risks to which the NIAB group is exposed. The NIAB EMR Trustees have reviewed the risk register of the NIAB group and are satisfied this sufficiently addresses risks that are applicable to NIAB EMR.

Future Principal Risks and Uncertainties for the NIAB EMR:

Risk Area	Risk	Management
Customer	Failure to deliver remaining contract(s) in NIAB EMR	The performance of the remaining project is monitored and reviewed regularly. NIAB continues to provide resources to support delivery in full.

STRUCTURE, GOVERNANCE and MANAGEMENT

Members and Board of Trustees

NIAB is the sole member of NIAB EMR.

Board of Trustees

The Board of Trustees comprises the Chair and up to four additional Trustee Directors. The following Trustees have served during the period:

Dr N W Kerby MBE, Chairman

Professor M J Caccamo

Recruitment, induction and training of Trustees

NIAB EMR appoints Trustees with the relevant skillset to support the charity's activities from the parent charity, NIAB. The parent charity has an induction programme in place for newly appointed Trustees and is kept under review and updated where appropriate.

Organisation and governance

NIAB EMR is incorporated in England and Wales and is a company limited by guarantee (registered number 09894859) and a registered charity (number 1165055). It is governed by its Memorandum and Articles of Association adopted on 30 November 2015.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Trustee Remuneration

NIAB EMR does not remunerate its Trustees.

Decision making and key management.

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

The average number of employees for the year was Nil (2022: Nil).

Liability Insurance

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

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

The Trustees (who are also Directors of NIAB EMR for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom general accepted accounting practice (United Kingdom accounting standards and applicable law), including FRS102, the financial reporting standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless that they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is 'inappropriate to presume that the charitable company will continue in business'.

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

The Trustees confirm that:

- so far as each Trustee is aware, there is no relevant audit information of which the auditors are unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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

The Trustees approve the Trustees Report incorporating the Strategic Report and financial statements.

Signed on behalf of the Board of Trustees of NIAB EMR

Dr N W Kerby, Chairman

Date: 14 November 2023

NIAB EMR
(A company limited by guarantee)

Independent Auditors' Report to the Members of NIAB EMR

Opinion

We have audited the financial statements of NIAB EMR ('the company') for the year ended 31 March 2023 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2023 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

NIAB EMR
(A company limited by guarantee)

Independent Auditors' Report to the members of NIAB EMR (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

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

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

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

NIAB EMR
(A company limited by guarantee)

Independent Auditors' Report to the members of NIAB EMR (continued)

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

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

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

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

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

NIAB EMR
(A company limited by guarantee)

Independent Auditors' Report to the members of NIAB EMR (continued)

Use of our report

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

Andrew Stickland (Senior statutory auditor)

for and on behalf of

For and on behalf of Moore Kingston Smith LLP

Statutory Auditors

9 Appold Street

London

EC2A 2AP

December 2023

NIAB EMR
(A company limited by guarantee)

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

	Note	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Income from:					
Charitable activities	3	43	7	50	666
Total income		<u>43</u>	<u>7</u>	<u>50</u>	<u>666</u>
Expenditure on:					
Charitable activities	4	45	7	52	689
Total expenditure		<u>45</u>	<u>7</u>	<u>52</u>	<u>689</u>
Net movement in funds		<u>(2)</u>	<u>-</u>	<u>(2)</u>	<u>(23)</u>
Reconciliation of funds:					
Total funds brought forward		1,623	-	1,623	1,646
Net movement in funds		(2)	-	(2)	(23)
Total funds carried forward		<u>1,621</u>	<u>-</u>	<u>1,621</u>	<u>1,623</u>

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

The notes on pages 13 to 24 form part of these financial statements.

NIAB EMR
(A company limited by guarantee)

Balance Sheet
As at 31 March 2023

	Note	2023 £000	2022 £000
Current assets			
Debtors	9	1,591	1,664
Cash at bank and in hand		37	82
		1,628	1,746
Creditors: amounts falling due within one year	10	(7)	(123)
Net current assets		1,621	1,623
Total assets less current liabilities		1,621	1,623
Total net assets		1,621	1,623
Charity funds			
Unrestricted funds	11	1,621	1,623
Total funds		1,621	1,623

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

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

The financial statements were approved and authorised for issue by the Trustees on 14 November 2023 and signed on their behalf by:

Dr N W Kerby MBE
Director

The notes on pages 13 to 24 form part of these financial statements.

NIAB EMR
(A company limited by guarantee)

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

1. General information

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The particular accounting policies adopted in the preparation of the financial statements are set out below and have been applied consistently.

NIAB EMR 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. Accounting policies

2.1 Basis of preparation of financial statements

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”.

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.30 to 11.48a;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29.

NIAB EMR 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 Fund accounting

General unrestricted funds

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

Restricted funds

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 purpose.

NIAB EMR
(A company limited by guarantee)

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

2. Accounting policies (continued)

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.

Incoming resources from charitable activities are accounted for in the year in which the service is provided.

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.

2.4 Accrued and deferred income

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

2.5 Resources expended

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

Support costs

Support costs which include central office functions such as general management, finance, information technology and human resources are allocated across categories of expenditure. The basis of the cost allocation has been explained in note 6 to the accounts.

Governance costs

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

All expenditure is inclusive of irrecoverable VAT.

2.6 Research and development

All research and development costs are written off as incurred.

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the Statement of Financial Activities.

NIAB EMR
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.7 Foreign currency translation

The charity's functional and presentational currency is GBP.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.8 Debtors

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

2.9 Creditors

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

2.10 Financial instruments

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

2.11 Redundancy payments

Redundancy payments are recognised as a liability and an expense only when the event is demonstrably committed to by either:

- a) termination of the employment of an employee or group of employees before the normal retirement date; or
- b) provision of termination benefits as a result of an offer made in order to encourage voluntary redundancy.

NIAB EMR
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.12 Going concern

The Trustees have acknowledged the guidance on going concern and financial reporting published by the Financial Reporting Council in 2016.

The ultimate parent undertaking is NIAB (charity no: 1064230).

The trustees have reviewed the NIAB Group cash flows and management accounts supporting NIAB's activities for the period to 31 March 2024.

The trustees have considered the following in arriving at their conclusions on going concern: -

1. NIAB's cash flow forecast and latest management accounts, which give confidence that the charity can continue to pay its debts as they fall due, through the provision of ongoing support of National Institute of Agricultural Botany Trust (TRUST).
2. TRUST have confirmed to the NIAB group that, through the provision of facilities and funding, said support will remain in place to March 2024.
3. The TRUST's joint responsibility to the Pension Scheme, including to fund future Pension Scheme Recovery Plan payments.

After making enquiries and considering the current uncertainties the trustees have a reasonable expectation that both the charity and NIAB have adequate resources to continue in operational existence for the foreseeable future, being at least twelve months from the date of approval of these financial statements, and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

2.13 Judgements in applying accounting policies and key sources of estimation uncertainty

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

- Depreciation, which has been charged in line with the accounting policy above. The amount of depreciation charged and net book value of the assets is included in note .
- Intangible assets which were recognised at the fair value of acquisition have been amortised and the net book value of the assets is included in note 11.
- Income, which has been recognised in accordance with the work completed on grants and contracts.

NIAB EMR
(A company limited by guarantee)

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

3. Income from charitable activities

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total funds 2023 £000
Laboratory and Research	43	7	50
	<u>43</u>	<u>7</u>	<u>50</u>
	<i>Unrestricted funds 2022 £000</i>	<i>Restricted funds 2022 £000</i>	<i>Total funds 2022 £000</i>
Laboratory and Research	426	240	666
	<u>426</u>	<u>240</u>	<u>666</u>

NIAB EMR
(A company limited by guarantee)

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

4. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2023 £000	Restricted funds 2023 £000	Total 2023 £000
Laboratory and Research	45	7	52

	<i>Unrestricted funds 2022 £000</i>	<i>Restricted funds 2022 £000</i>	<i>Total 2022 £000</i>
Laboratory and Research	449	240	689

NIAB EMR
(A company limited by guarantee)

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

5. Analysis of expenditure by activities

	Activities undertaken directly 2023 £000	Support costs 2023 £000	Total funds 2023 £000
Laboratory and Research	34	18	52

	<i>Activities undertaken directly 2022 £000</i>	<i>Support costs 2022 £000</i>	<i>Total funds 2022 £000</i>
Laboratory and Research	613	76	689

Analysis of support costs

	Total funds 2023 £000	<i>Total funds 2022 £000</i>
Management	5	35
Finance	1	21
Information Technology	1	7
Human Resources	1	5
Governance	10	8
	18	76

Central support costs have been allocated to cost categories on a basis consistent with use of resources e.g. staff costs by the time spent and other costs by their usage.

NIAB EMR
(A company limited by guarantee)

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

6. Auditors' remuneration

	2023	<i>2022</i>
	£000	<i>£000</i>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>6</u>	<u>5</u>

The Charity has taken advantage of the exemption not to disclose amounts paid for non-audit services as these are disclosed in the consolidated accounts of the parent Charity.

7. Trustees' remuneration and expenses

No Trustees received any remuneration or other benefits from the Charity during the year and no Trustee expenses were incurred during the year (2022 - £Nil and £Nil).

8. Taxation

NIAB EMR is a registered charity and is thus exempt from tax on income and capital gains falling within section 505 of the Income and Corporation Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives. No tax charges have arisen in the Charitable Company.

There is no provision for deferred tax on fair value adjustments because any chargeable gains are applied to charitable objectives so no tax liability arises.

9. Debtors

	2023	<i>2022</i>
	£000	<i>£000</i>
Due within one year		
Trade debtors	-	<i>181</i>
Amounts owed by group undertakings	1,579	<i>1,438</i>
Prepayments and accrued income	12	<i>45</i>
	<u>1,591</u>	<u><i>1,664</i></u>

NIAB EMR
(A company limited by guarantee)

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

10. Creditors: Amounts falling due within one year

	2023	<i>2022</i>
	£000	<i>£000</i>
Trade creditors	-	50
Accruals and deferred income	7	73
	<hr/>	<hr/>
	7	<i>123</i>
	<hr/> <hr/>	<hr/> <hr/>
	2023	<i>2022</i>
	£000	<i>£000</i>
Deferred income at 1 April 2022	53	337
Resources deferred during the year	7	53
Amounts released from previous periods	(53)	(337)
	<hr/>	<hr/>
	7	<i>53</i>
	<hr/> <hr/>	<hr/> <hr/>

NIAB EMR
(A company limited by guarantee)

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

11. Statement of funds

Statement of funds - current year

	Balance at 1 April 2022 £000	Income £000	Expenditure £000	Balance at 31 March 2023 £000
Unrestricted funds				
General Fund	1,623	43	(45)	1,621
Restricted funds				
Restricted Grants	-	7	(7)	-
Total of funds	1,623	50	(52)	1,621

Enter text here - user input

Statement of funds - prior year

	<i>Balance at 1 April 2021 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Balance at 31 March 2022 £000</i>
Unrestricted funds				
General Fund	1,646	426	(449)	1,623
Restricted funds				
Restricted Grants	-	240	(240)	-
Total of funds	1,646	666	(689)	1,623

NIAB EMR
(A company limited by guarantee)

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

12. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2023 £000	Total funds 2023 £000
Current assets	1,628	1,628
Creditors due within one year	(7)	(7)
Total	<u>1,621</u>	<u>1,621</u>

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2022 £000</i>	<i>Total funds 2022 £000</i>
Current assets	1,746	1,746
Creditors due within one year	(123)	(123)
Total	<u>1,623</u>	<u>1,623</u>

13. Members' liability

The charitable company is incorporated as a company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £1 in the event of the company being wound up. At 31 March 2023 there was 1 member (2022: 1) - the parent charity NIAB. The member has full voting rights.

14. Related party transactions

The charitable company has taken advantage of the exemption conferred by Financial Reporting Standard 102 not to disclose any transactions with its parent undertaking and wholly owned subsidiary undertakings. No transactions have been undertaken with key management personnel during the period.

NIAB EMR
(A company limited by guarantee)

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

15. Immediate and ultimate parent undertaking

The immediate and ultimate parent undertaking of this company is NIAB which is incorporated in England and is a registered charity. The consolidated accounts of NIAB are available from its registered office at 93 Lawrence Weaver Road, Cambridge, CB3 0LE.

NIAB EMR

England & Wales - Charity number 1165055

Accounts

NIAB EMR
(A company limited by guarantee)

Trustees' Report and Financial Statements

For the Year Ended 31 March 2022

NIAB EMR
(A company limited by guarantee)

Contents

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Trustees' report	2 - 6
Independent auditors' report on the financial statements	7 - 10
Statement of financial activities	11
Balance sheet	12
Notes to the financial statements	13 - 27

NIAB EMR
(A company limited by guarantee)

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

Trustees	Dr N W Kerby MBE, Chair Prof M J Caccamo (appointed 1 October 2021) Dr T L Barsby OBE (resigned 12 November 2021)
Company registered number	09894859
Charity registered number	1165055
Registered office	93 Lawrence Weaver Road Cambridge CB3 0LE
Company secretary	Dr J McKee
NIAB Chief executive	Prof M J Caccamo (appointed 1 October 2021)
Independent auditors	Moore Kingston Smith LLP Statutory Auditors 9 Appold Street London EC2A 2AP
Bankers	Barclays Bank PLC 1 Churchill Place Canary Wharf London E14 5HP
Solicitors	Birketts LLP 22 Station Road Cambridge CB1 2JD Thomson Snell & Passmore LLP 3 Lonsdale Gardens Tunbridge Wells Kent TN1 1NX

TRUSTEES’ REPORT INCORPORATING THE STRATEGIC REPORT

STRATEGIC REVIEW

Background

NIAB EMR was incorporated in November 2015 and commenced activities when NIAB bought the business and assets of East Malling Research on 9 February 2016.

NIAB EMR is a wholly owned subsidiary charity of NIAB. On 1 April 2021 the majority of the business, assets and liabilities of the charity were merged into NIAB. All NIAB EMR’s employees were transferred to NIAB and to fulfill its contractual obligations NIAB EMR contracts the expertise of NIAB and utilises its facilities at East Malling.

Strategy & Public Benefit

The operations of NIAB EMR are an integral part of the strategy of the wider NIAB Group.

In 2021/22, NIAB EMR continued to receive income from contracts that had not been novated to NIAB (NIAB EMR’s parent). An agreement with AHDB will remain in place until early 2023. As such, NIAB EMR will continue to report financial activity through to 2023/24 and will continue to contract necessary services, expertise, and facilities from NIAB

The Trustees are satisfied they have complied with their duty in section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. The Trustees believe the activities of NIAB EMR to be scientific and therefore charitable in nature.

Performance

Performance against the specific 2021/22 objectives is highlighted in the table below:

Objectives	Performance
Having transferred the majority of operations to NIAB, there remain 22 contracts still to assign or complete. 19 of these contracts were scheduled to complete in the financial year 21/22. The aim is to transfer the remainder of the contracts to NIAB before the year end	One contract will remains in NIAB EMR and it will continue to receive income from AHDB in relation to the project “Diagnostic tests to assess Fusarium disease risk and monitor soil microbiome”. This work will continue to be delivered by NIAB EMR until the conclusion of the project.
Obtain agreement from The East Malling Strawberry Breeding Club (EMSBC) to novate the EMSBC contract to NIAB with effect from 1 April 2021.	The East Malling Strawberry Breeding Club (EMSBC) is no longer included in the NIAB EMR accounts as this project was novated to NIAB with effect from 1 April 2021, with the agreement of the EMSBC Board.

Objectives for 2022/23

Through NIAB, NIAB EMR will continue to deliver the remaining AHDB contract under the terms of the agreement.

FINANCIAL REVIEW

Income

Total incoming resources for the period were £666k (2021: £7,302k). Of the total £Nil (2021: £1,998k) related to grants for the purchase of capital assets. Income is derived from a mixture of research grants and contracts, as well as recharges to East Malling Services Ltd., a subsidiary organisation.

Fundraising

The NIAB EMR does not undertake fundraising activities

Expenditure

Total outgoing ordinary expenditure totaled £689k (2021: £5,505k). Of that amount £550k (2021: £2,351k) related to staff costs for staff employed by NIAB but working on NIAB EMR projects with amounts being charged to NIAB EMR for their time.

Capital Expenditure

The charity funded capital purchases from unrestricted and restricted income. Of the total purchases of £Nil (2021: £2,099k) £Nil (2021: £1,998k) was from restricted grants.

Business Review and Key Performance Indicators

NIAB EMR has considered the most appropriate Key Performance Indicators by which the development, performance or position of the various elements of its operations can be effectively measured. The only Key Performance Indicator is the fulfillment of its remaining scientific contracts.

Subsidiaries and related parties

NIAB EMR is part of the NIAB Group of companies; NIAB (Charity No: 1064230) controls NIAB EMR through its membership of the charity. The results of NIAB EMR are consolidated within NIAB's financial statements.

Reserves Policy

The total charity reserves are £1,623k (2021: £1,646k). NIAB EMR reserves will be managed until the final delivery of the remaining contract with AHDB.

Accounting Period

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

Related parties

Other than other group entities within the NIAB group there were no related parties

Going Concern

The Trustees have acknowledged the guidance on going concern and financial reporting published by the Financial Reporting Council in 2016.

The ultimate parent undertaking is NIAB (charity no: 1064230). The majority of the business, assets and liabilities of NIAB EMR have been merged into NIAB to form a single entity on a going concern basis.

The Trustees have reviewed the NIAB Group cash flows and management accounts supporting NIAB's activities for the period to 31 March 2024.

The Trustees have considered the following in arriving at their conclusions on going concern: -

1. NIAB's cash flow forecast and latest management accounts, which give confidence that the charity can continue to pay its debts as they fall due, through the provision of ongoing support of National Institute of Agricultural Botany Trust (TRUST).
2. TRUST have confirmed to the NIAB group that, through the provision of facilities and funding, said support will remain in place to March 2024.
3. The TRUST's joint responsibility to the Pension Scheme including to fund future Pension Scheme Recovery Plan payments.

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

RISK ASSESSMENT AND MANAGEMENT

The risks of NIAB EMR are considered by the NIAB Board of Trustees who are responsible for ensuring there are effective and adequate risk management and internal control systems in place to manage the major risks to which the NIAB group is exposed. The NIAB EMR Trustees have reviewed the risk register of the NIAB group and are satisfied this sufficiently addresses risks that are applicable to NIAB EMR.

Future Principal Risks and Uncertainties for the NIAB EMR:

Risk Area	Risk	Management
Customer	Failure to deliver remaining contract(s) in NIAB EMR	The performance of the remaining project(s) are monitored and reviewed regularly. NIAB continues to provide resources to support delivery in full.

STRUCTURE, GOVERNANCE and MANAGEMENT

Members and Board of Trustees

NIAB is the sole member of NIAB EMR.

Board of Trustees

The Board of Trustees comprises the Chair and up to four additional Trustee directors. The following Trustees have served during the period:

Dr N W Kerby MBE, Chairman

Dr T L Barsby OBE (resigned 12 November 2021)

Professor M J Caccamo (appointed on 1 October 2021)

Recruitment, induction and training of Trustees

NIAB EMR recruits Trustees with the relevant skillset to support the charity's activities. An induction programme is in place for newly appointed Trustees and is kept under review and updated where appropriate. In addition, Trustees are in regular contact with the Managing Director and executive team and receive updates on key areas of activity.

Organisation and governance

NIAB EMR is incorporated in England and Wales and is a company limited by guarantee (registered number 09894859) and a registered charity (number 1165055). It is governed by its Memorandum and Articles of Association adopted on 30 November 2015.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

Trustee Remuneration

NIAB EMR does not remunerate its Trustees.

Decision making and key management

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

The average number of employees for the year was Nil (2021 - 65).

Liability Insurance

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

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

The Trustees (who are also directors of NIAB EMR for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom general accepted accounting practice (United Kingdom accounting standards and applicable law), including FRS102, the financial reporting standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless that they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is 'inappropriate to presume that the charitable company will continue in business'.

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

The Trustees confirm that:

- so far as each Trustee is aware, there is no relevant audit information of which the auditors are unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

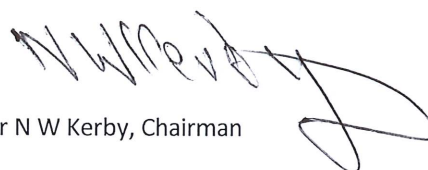
The Trustees are responsible for the maintenance and integrity of the corporate financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Trustees approve the Trustees Report incorporating the Strategic Report and financial statements.

Signed on behalf of the Board of Trustees of NIAB EMR

Dr N W Kerby, Chairman

Date: 14 November 2022



NIAB EMR
(A company limited by guarantee)

Independent Auditors' Report to the of NIAB EMR

Opinion

We have audited the financial statements of NIAB EMR ('the company') for the year ended 31 March 2022 which comprise the Statement of Financial Activities, the Summary Income and Expenditure Account, the Balance Sheet and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 'The Financial Reporting Standard Applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

NIAB EMR
(A company limited by guarantee)

Independent Auditors' Report to the of NIAB EMR (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 6, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the financial statements

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

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

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

NIAB EMR
(A company limited by guarantee)

Independent Auditors' Report to the of NIAB EMR (continued)

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

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

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

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

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

Our approach was as follows:

- We obtained an understanding of the legal and regulatory requirements applicable to the charitable company and considered that the most significant are the Companies Act 2006, the Charities Act 2011, the Charity SORP, and UK financial reporting standards as issued by the Financial Reporting Council
- We obtained an understanding of how the charitable company complies with these requirements by discussions with management and those charged with governance.
- We assessed the risk of material misstatement of the financial statements, including the risk of material misstatement due to fraud and how it might occur, by holding discussions with management and those charged with governance.
- We inquired of management and those charged with governance as to any known instances of non-compliance or suspected non-compliance with laws and regulations.
- Based on this understanding, we designed specific appropriate audit procedures to identify instances of non-compliance with laws and regulations. This included making enquiries of management and those charged with governance and obtaining additional corroborative evidence as required.

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

NIAB EMR
(A company limited by guarantee)

Independent Auditors' Report to the of NIAB EMR (continued)

Use of our report

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

Moore Kingston Smith LLP

Andrew Stickland (Senior statutory auditor)

for and on behalf of

For and on behalf of Moore Kingston Smith LLP

Statutory Auditors

9 Appold Street

London

EC2A 2AP

24 November 2022

NIAB EMR
(A company limited by guarantee)

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

	Note	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000	<i>Total funds 2021 £000</i>
Income from:					
Charitable activities	3	426	240	666	7,184
Investments	4	-	-	-	118
Total income		426	240	666	7,302
Expenditure on:					
Charitable activities	5	449	240	689	5,505
Total expenditure		449	240	689	5,505
Net movement in funds		(23)	-	(23)	1,797
Reconciliation of funds:					
Total funds brought forward		1,646	-	1,646	(151)
Net movement in funds		(23)	-	(23)	1,797
Total funds carried forward		1,623	-	1,623	1,646

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

The notes on pages 13 to 27 form part of these financial statements.

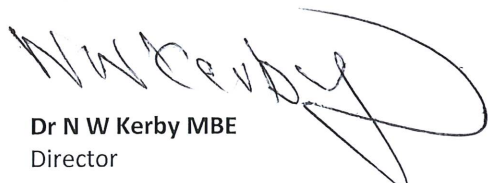
NIAB EMR
(A company limited by guarantee)
Registered number: 09894859

Balance Sheet
As at 31 March 2022

	Note	2022 £000	2021 £000
Fixed assets			
Intangible assets	11	-	980
Tangible assets	12	-	2,825
		-	3,805
Current assets			
Debtors	13	1,664	1,300
Cash at bank and in hand		82	1,322
		1,746	2,622
Creditors: amounts falling due within one year	14	(123)	(3,281)
Net current assets/(liabilities)		1,623	(659)
Total assets less current liabilities		1,623	3,146
Creditors: amounts falling due after more than one year	15	-	(1,500)
Total net assets		1,623	1,646
Charity funds			
Restricted funds	16	-	-
Unrestricted funds	16	1,623	1,646
Total funds		1,623	1,646

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

The financial statements were approved and authorised for issue by the Trustees on 14 November 2022 and signed on their behalf by:


Dr N W Kerby MBE
Director

The notes on pages 13 to 27 form part of these financial statements.

NIAB EMR
(A company limited by guarantee)

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

1. General information

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The particular accounting policies adopted in the preparation of the financial statements are set out below and have been applied consistently.

NIAB EMR 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. Accounting policies

2.1 Basis of preparation of financial statements

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”.

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.30 to 11.48a;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29.

2.2 Fund accounting

General unrestricted funds

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

Restricted funds

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 purpose.

NIAB EMR
(A company limited by guarantee)

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

2. Accounting policies (continued)

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.

Incoming resources from charitable activities are accounted for in the year in which the service is provided.

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.

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

2.4 Coronavirus Job Retention Scheme

Government grants are recognised on the performance model, when the charity has complied with any conditions attaching to the grant and the grant will be received. The grant in connection with the Coronavirus Job Retention Scheme has been recognised in the period to which the underlying furloughed staff costs relate. Included in income is an amount of £Nil (2021 - £101,593) in respect of the Coronavirus Job Retention Scheme.

2.5 Accrued and deferred income

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

2.6 Resources expended

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

Support costs

Support costs which include central office functions such as general management, finance, information technology and human resources are allocated across categories of expenditure. The basis of the cost allocation has been explained in note 6 to the accounts.

Governance costs

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

All expenditure is inclusive of irrecoverable VAT.

NIAB EMR
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.7 Research and development

All research and development costs are written off as incurred.

Deferred research and development costs are reviewed annually, and where future benefits are deemed to have ceased or to be in doubt, the balance of any related research and development is written off to the Statement of Financial Activities.

2.8 Foreign currency translation

The charity's functional and presentational currency is GBP.

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.9 Intangible assets and amortisation

Purchased goodwill

Goodwill representing the excess of the purchase price compared with the fair value of net assets acquired is capitalised and amortised evenly over 5 years as in the opinion of the Trustees this represents the period over which the goodwill is expected to give rise to economic benefit. Goodwill is reviewed for impairment at the end of the first financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Plant variety rights

Plant variety rights are recognised at their fair value at acquisition and are amortised evenly over the period in which the rights expire, as in the opinion of the Trustees this represents the period over which the rights are expected to give rise to economic benefit. Plant variety rights are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

2.10 Tangible fixed assets and depreciation

All tangible assets are stated at historical cost.

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

NIAB EMR
(A company limited by guarantee)

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

2. Accounting policies (continued)

2.10 Tangible fixed assets and depreciation (continued)

Depreciation is provided on cost over the estimated lives of the assets.

Depreciation is provided on the following bases:

Agricultural and motor vehicles	- 3-10 years straight line
Apparatus and equipment	- 3-10 years straight line

2.11 Debtors

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

2.12 Creditors

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

2.13 Financial instruments

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

2.14 Pensions

NIAB EMR operates a money purchase scheme, in addition to making contributions into employees' personal pension schemes. For these, the pension costs charged in the financial statements represent the contributions payable by the company during the period.

2.15 Redundancy payments

Redundancy payments are recognised as a liability and an expense only when the event is demonstrably committed to by either:

- a) termination of the employment of an employee or group of employees before the normal retirement date; or
- b) provision of termination benefits as a result of an offer made in order to encourage voluntary redundancy.

2.16 Going concern

The Trustees have acknowledged the guidance on going concern and financial reporting published by the Financial Reporting Council in 2016.

NIAB EMR
(A company limited by guarantee)

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

2. Accounting policies (continued)

The ultimate parent undertaking is NIAB (charity no: 1064230).

The trustees have reviewed the NIAB Group cash flows and management accounts supporting NIAB's activities for the period to 31 March 2024.

The trustees have considered the following in arriving at their conclusions on going concern: -

1. NIAB's cash flow forecast and latest management accounts, which give confidence that the charity can continue to pay its debts as they fall due, through the provision of ongoing support of National Institute of Agricultural Botany Trust (TRUST).
2. TRUST have confirmed to the NIAB group that, through the provision of facilities and funding, said support will remain in place to March 2024.
3. The TRUST's joint responsibility to the Pension Scheme, including to fund future Pension Scheme Recovery Plan payments.

After making enquiries and considering the current uncertainties the trustees have a reasonable expectation that both the charity and NIAB have adequate resources to continue in operational existence for the foreseeable future, being at least twelve months from the date of approval of these financial statements, and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

2.17 Judgements in applying accounting policies and key sources of estimation uncertainty

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

- Depreciation, which has been charged in line with the accounting policy above. The amount of depreciation charged and net book value of the assets is included in note 12.
- Intangible assets which were recognised at the fair value of acquisition have been amortised and the net book value of the assets is included in note 11.
- Income, which has been recognised in accordance with the work completed on grants and contracts.

3. Income from charitable activities

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
Laboratory and Research	426	240	666
Other activities	-	-	-
Total 2022	426	240	666

NIAB EMR
(A company limited by guarantee)

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

3. Income from charitable activities (continued)

	<i>Unrestricted funds 2021 £000</i>	<i>Restricted funds 2021 £000</i>	<i>Total funds 2021 £000</i>
Laboratory and Research	4,722	2,278	7,000
Other activities	184	-	184
<i>Total 2021</i>	<i>4,906</i>	<i>2,278</i>	<i>7,184</i>

4. Investment income

	Total funds 2022 £000
Gift aid received from subsidiary	-

	<i>Unrestricted funds 2021 £000</i>	<i>Total funds 2021 £000</i>
Gift aid received from subsidiary	118	118

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2022 £000	Restricted funds 2022 £000	Total funds 2022 £000
Laboratory and Research	449	240	689

NIAB EMR
(A company limited by guarantee)

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

5. Analysis of expenditure on charitable activities (continued)

Summary by fund type (continued)

	<i>Unrestricted funds 2021 £000</i>	<i>Restricted funds 2021 £000</i>	<i>Total funds 2021 £000</i>
Laboratory and Research	5,225	280	5,505

NIAB EMR
(A company limited by guarantee)

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

6. Analysis of expenditure by activities

	Activities undertaken directly 2022 £000	Support costs 2022 £000	Total funds 2022 £000
Laboratory and Research	613	76	689

	<i>Activities undertaken directly 2021 £000</i>	<i>Support costs 2021 £000</i>	<i>Total funds 2021 £000</i>
Laboratory and Research	4,559	946	5,505

Analysis of support costs

	Total funds 2022 £000	<i>Total funds 2021 £000</i>
Management	35	433
Finance	21	264
Information Technology	7	86
Human Resources	5	57
Governance	8	106
	76	946

Central support costs have been allocated to cost categories on a basis consistent with use of resources e.g. staff costs by the time spent and other costs by their usage.

NIAB EMR
(A company limited by guarantee)

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

7. Auditors' remuneration

	2022	<i>2021</i>
	£000	<i>£000</i>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>5</u>	<u>6</u>

8. Staff costs

	2022	<i>2021</i>
	£000	<i>£000</i>
Wages and salaries	-	2,018
Social security costs	-	174
Contribution to defined contribution pension schemes	-	159
	<u>-</u>	<u>2,351</u>

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

	2022	<i>2021</i>
	No.	<i>No.</i>
Technical and scientific	-	54
Support staff	-	11

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2022	<i>2021</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	-	1

The key management personnel during the year were:

Professor M Caccamo (Managing Director NIAB EMR; CEO of NIAB from 1 October 2021)
Dr T L Barsby (CEO of NIAB to 30 September 2021)

The above personnel were employed by and paid through NIAB, this charity's parent charity.

NIAB EMR
(A company limited by guarantee)

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

9. Trustees' remuneration and expenses

No Trustees received any remuneration or other benefits from the Charity during the year and no Trustee expenses were incurred during the year (2021 - £Nil and £Nil).

10. Taxation

NIAB EMR is a registered charity and is thus exempt from tax on income and capital gains falling within section 505 of the Income and Corporation Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives. No tax charges have arisen in the Charitable Company.

There is no provision for deferred tax on fair value adjustments because any chargeable gains are applied to charitable objectives so no tax liability arises.

11. Intangible assets

	Plant variety rights £000	Goodwill £000	Total £000
At 1 April 2021	1,350	100	1,450
Transfer to parent company	(1,350)	-	(1,350)
Disposals	-	(100)	(100)
At 31 March 2022	-	-	-
At 1 April 2021	370	100	470
Transfer to parent company	(370)	-	(370)
On disposal of asset	-	(100)	(100)
At 31 March 2022	-	-	-
Net book value			
At 31 March 2022	-	-	-
At 31 March 2021	980	-	980

Goodwill has now been fully amortised and has been written off.

NIAB EMR
(A company limited by guarantee)

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

12. Tangible fixed assets

	Agricultural and motor vehicles £000	Apparatus and equipment £000	Assets under construction £000	Total £000
At 1 April 2021	42	1,685	2,009	3,736
Transfer to parent company	(42)	(1,685)	(2,009)	(3,736)
At 31 March 2022	-	-	-	-
At 1 April 2021	34	877	-	911
Transfer to parent company	(34)	(877)	-	(911)
At 31 March 2022	-	-	-	-
Net book value				
At 31 March 2022	-	-	-	-
At 31 March 2021	8	808	2,009	2,825

On 1 April 2021 the business, assets and liabilities of NIAB EMR were merged into the parent company, NIAB.

13. Debtors

	2022 £000	2021 £000
Due within one year		
Trade debtors	181	580
Amounts owed by group undertakings	1,438	559
Prepayments and accrued income	45	161
	1,664	1,300

NIAB EMR
(A company limited by guarantee)

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

14. Creditors: Amounts falling due within one year

	2022	<i>2021</i>
	£000	<i>£000</i>
Trade creditors	50	225
Amounts owed to group undertakings	-	850
Other taxation and social security	-	46
Pension fund	-	23
Other creditors	-	1,260
Accruals and deferred income	73	<i>877</i>
	<hr/> 123 <hr/>	<hr/> <i>3,281</i> <hr/>
	2022	<i>2021</i>
	£000	<i>£000</i>
Deferred income at 1 April 2021	337	<i>384</i>
Resources deferred during the year	53	<i>262</i>
Amounts released from previous periods	(337)	<i>(309)</i>
	<hr/> 53 <hr/>	<hr/> <i>337</i> <hr/>

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

	2022	<i>2021</i>
	£000	<i>£000</i>
Loan	-	<i>1,500</i>
	<hr/> - <hr/>	<hr/> <i>1,500</i> <hr/>

The company had a loan, bearing interest at market rate, from the National Institute of Agricultural Botany Trust, a related party of NIAB, which was repayable within 10 years from January 2016. The loan has been transferred to NIAB.

NIAB EMR
(A company limited by guarantee)

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

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2021 £000	Income £000	Expenditure £000	Balance at 31 March 2022 £000
Unrestricted funds				
General Fund	1,646	426	(449)	1,623
Restricted funds				
Restricted Grants	-	240	(240)	-
Total of funds	1,646	666	(689)	1,623

Statement of funds - prior year

	<i>Balance at 1 April 2020 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Transfers in/out £000</i>	<i>Balance at 31 March 2021 £000</i>
Unrestricted funds					
General Fund	(151)	5,024	(5,225)	1,998	1,646
Restricted funds					
Restricted Grants	-	80	(80)	-	-
East Malling Trust	-	200	(200)	-	-
Capital grants	-	1,998	-	(1,998)	-
	-	2,278	(280)	(1,998)	-
Total of funds	(151)	7,302	(5,505)	-	1,646

During the previous year the Charity received restricted grants totaling £Nil (2021: £1,998k) for the purchase of specified fixed assets. Once purchased, the fixed assets form part of the unrestricted assets and a transfer has therefore been made.

NIAB EMR
(A company limited by guarantee)

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

17. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2022 £000	Total funds 2022 £000
Current assets	1,746	1,746
Creditors due within one year	(123)	(123)
Total	1,623	1,623

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2021 £000</i>	<i>Total funds 2021 £000</i>
Tangible fixed assets	2,825	2,825
Intangible fixed assets	980	980
Current assets	2,622	2,622
Creditors due within one year	(3,281)	(3,281)
Creditors due in more than one year	(1,500)	(1,500)
Total	1,646	1,646

18. Members' liability

The charitable company is incorporated as a company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £1 in the event of the company being wound up. At 31 March 2022 there was 1 member (2021: 1) - the parent charity NIAB. The member has full voting rights.

NIAB EMR
(A company limited by guarantee)

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

19. Related party transactions

The charitable company has taken advantage of the exemption conferred by Financial Reporting Standard 102 not to disclose any transactions with its parent undertaking and wholly owned subsidiary undertakings. No transactions have been undertaken with key management personnel during the period.

At 31 March 2021 NIAB EMR had a loan of £1,500,000 from National Institute of Agricultural Botany Trust, a related party of NIAB. This loan is secured by a first fixed and floating charge on the assets of NIAB EMR and, while there is no fixed repayment timetable, it is repayable within 10 years. Interest is charged at 2% above the Bank of England base rate, which is considered to be a market value. Interest payable in the year on this loan amounted to £NIL (2021: £31k).

On 1 April 2021 the majority of the business, assets and liabilities of the charity were merged into NIAB. The loan was transferred to NIAB in accordance with the merger agreement between the two charities.

20. Immediate and ultimate parent undertaking

The immediate and ultimate parent undertaking of this company is NIAB which is incorporated in England and is a registered charity. The consolidated accounts of NIAB are available from its registered office at 93 Lawrence Weaver Road, Cambridge, CB3 0LE.

NIAB EMR

England & Wales - Charity number 1165055

Accounts

NIAB EMR

Trustees' Report and Financial Statements

For the Year Ended 31 March 2021

NIAB EMR

Contents

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Trustees' report	2 - 7
Independent auditors' report on the financial statements	8 - 10
Statement of financial activities	11
Balance sheet	12
Notes to the financial statements	13 - 29

NIAB EMR

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

Trustees	Dr N W Kerby MBE, Chair Dr T L Barsby OBE Prof M J Caccamo (appointed 1 October 2021) Professor P J Gregory (resigned 8 December 2020)
Company registered number	09894859
Charity registered number	1165055
Registered office	93 Lawrence Weaver Road Cambridge CB3 0LE
Company secretary	Dr J McKee
NIAB Chief executive	Dr T Barsby OBE (resigned 30 September 2021) Prof M J Caccamo (appointed 1 October 2021)
Independent auditors	Crowe U.K. LLP Statutory Auditors 55 Ludgate Hill London EC4M 7JW
Bankers	Barclays Bank PLC 1 Churchill Place Canary Wharf London E14 5HP
Solicitors	Birketts LLP 22 Station Road Cambridge CB1 2JD Thomson Snell & Passmore LLP 3 Lonsdale Gardens Tunbridge Wells Kent TN1 1NX

TRUSTEES' REPORT INCORPORATING THE STRATEGIC REPORT

STRATEGIC REVIEW

Background

NIAB EMR was incorporated in November 2015 and commenced activities when it bought the business and assets of East Malling Research on 9 February 2016.

NIAB EMR is a wholly owned subsidiary charity of NIAB. On 1 April 2021 the majority of the business, assets and liabilities of the charity were merged into NIAB. As part of the NIAB Group, NIAB EMR's expertise in horticultural and environmental science, including expertise in advanced plant breeding, soil science, water resource use efficiency and biological pest control, complements the strengths of NIAB in genetics and pre-breeding, variety evaluation, agronomy research, precision farming and informatics, bringing together the scientific expertise required to support progressive crop production.

Strategy

The operations of NIAB EMR are an integral part of the strategy of the wider NIAB Group, bringing resilience and greater impact to the group as a whole. Post-merger, these charitable aims are pursued within NIAB and will be pursued in its business unit NIAB EMR..

The aim of NIAB EMR is to bring innovative applied science and research to support the production of horticultural crops, delivering knowledge, products and services to UK and international growers, industries, and public bodies and consumers. We focus on translating science into practice to meet the practical needs of growers: one of the original objectives of research at East Malling and a principle focus for over 100 years.

Research activities are focused on increasing production and profitability of growers/producers who are experiencing a more variable and changing climate. We plan to enhance the provision of other ecosystem services, increase the efficiency of resource use, reduce waste across the food system, and minimise greenhouse gas emissions.

NIAB EMR's research is delivered through three scientific research departments: Genetics, Genomics and Breeding; Pest and Pathogen Ecology; and Crop Science and Production Systems.

Public Benefit

Through our research we seek to:

- advance training and education in the biosciences and in particular horticulture and plant-based science, primarily through the promotion of research and development work and the publication of the scientific results thereof for the benefit of the public;
- advance science for public benefit, primarily through the support of research and development, particularly in the fields of horticultural and other plant-based disciplines; and
- promote agriculture, horticulture and arboriculture anywhere in the world by such charitable means as the Trustees shall determine to meet societal needs.

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

Performance

In order for NIAB EMR to deliver its charitable objects, the charity must operate from a sound financial position, and hence the main focus of the year was the alignment of resources to ensure that it could provide a self-sustainable science base to continue its research, training and dissemination of knowledge.

Performance against the specific 2020/21 objectives is highlighted in the table below:

Objectives	Performance
Towards the end of March 2020 Covid-19 arrived as a global pandemic. The principle objective for the period then became ensuring business continuity and employee wellbeing.	NIAB EMR continued to function through the pandemic, carrying out its essential functions underpinning the UK farming and horticulture industries. Social distancing and hygiene measures were put in place, adapted to local conditions. Those who could work from home did so. Income was maintained and in large part delivery of projects and services was also maintained.
Implement development of new facilities at East Malling, delivering on the objectives of the UK government's Strength in Places Fund (SIPF), the South East LEP (SELEP) Local Growth Fund and of the East Malling Trust.	With the support of the East Malling Trust, who pledged matched financial support, successful bids were submitted to the UK Government's 'Strength in Places' fund and to the South East LEP (SELEP) Local Growth Fund. Construction of new glasshouses, a reception building, and a wine innovation centre has commenced, bringing new facilities to the East Malling site for the first time in 35 years. These new facilities at East Malling will provide renewed scope for stakeholder engagement and impact from the research.
Apply for Plant Variety Rights for two new fruit varieties.	Applications for Plant Variety Rights were filed for Malling Vitality - a June-bearer strawberry, and Malling Ace - an everbearer strawberry.
Seek to merge NIAB EMR fully into NIAB.	The merger of the majority of the business, assets and liabilities of NIAB EMR into NIAB was completed on 1 April 2021. The ownership of the subsidiary East Malling Services Ltd. (EMS) has transferred to NIAB. NIAB EMR staff transferred to NIAB under TUPE on 1 April 2021.

Objectives for 21/22

Having transferred the majority of operations to NIAB, there remain 22 contracts still to assign or complete. 19 of these contracts are scheduled to complete in the financial year 21/22. The aim is to transfer the remainder of the contracts to NIAB before the year end

Dr N W Kerby (Chair) and Dr T L Barsby remained as Trustee Directors of NIAB EMR following the merger of the business into NIAB on 1 April 2021.

FINANCIAL REVIEW

Income

Total incoming resources for the period were £7,302k (2020: £5,761k) of which £1,998k related to grants for the purchase of capital assets. Income is derived from a mixture of research grants and contracts, as well as recharges to East Malling Services Ltd., a subsidiary organisation.

Expenditure

Total outgoing ordinary expenditure totalled £5,505k (2020: £5,421k). Of that amount £2,351k (2020: £2,404k) related to staff costs for staff either directly employed by NIAB EMR or employed by NIAB but working on NIAB EMR projects with amounts being charged to NIAB EMR for their time.

Capital Expenditure

The charity funded the capital purchases from unrestricted and restricted income. Of the total purchases of £2,099k (2020: £330k) £1,998k (2020: £Nil) was from restricted grants. £250k was spent on the purchase of Plant Variety Rights.

Business Review and Key Performance Indicators

NIAB EMR has considered the most appropriate Key Performance Indicators by which the development, performance or position of the various elements of its operations can be effectively measured.

The following are considered among the Key Performance Indicators:

	2021	2020
Charitable Income	£7,184k	£5,243k
Expenditure	£5,505k	£5,421k
Average Staff Numbers	65	70
Turnover per annum per head**	£80k	£75k

**2021 - turnover excluding capital grants of £1,998k

Subsidiaries and related parties

NIAB EMR is part of the NIAB Group of companies; NIAB (Charity No: 1064230) controls NIAB EMR through its membership of the charity up to 31 March 2021 when the business, assets and liabilities of NIAB EMR were merged into NIAB. The results of NIAB EMR and those of East Malling Services Ltd. are consolidated within NIAB's financial statements. The results of East Malling Services Ltd. are not consolidated into the financial statements of NIAB EMR. The trading subsidiary made a profit for the year £26k (2020: £339k), in part as a result of royalty income from Plant Variety Rights of £985k (2020: £878k).

Reserves Policy

The total charity reserves are £1,646k (2020: negative £151k). The Board, along with NIAB, have set a target level of positive general reserves equivalent to between 2 and 4 months expenditure.

Going Concern

The Trustees have acknowledged the guidance on going concern and financial reporting published by the Financial Reporting Council in 2016.

The ultimate parent undertaking is NIAB (charity no: 1064230). The majority of the business, assets and liabilities of NIAB EMR have been merged into NIAB to form a single entity on a going concern basis.

The Trustees have reviewed the NIAB Group cash flows and management accounts supporting its own and NIAB's activities for the period to 31 March 2023.

The Trustees have considered the following in arriving at their conclusions on going concern: -

1. NIAB's cash flow forecast and latest management accounts, which give confidence that the charity can continue to pay its debts as they fall due.
2. The continued support of the National Institute of Agricultural Botany Trust (TRUST) to NIAB group through the provision of facilities and funding support which has been confirmed through to March 2023.
3. The TRUST's joint responsibility to the Pension Scheme including to fund future Pension Scheme Recovery Plan payments.

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

Accounting Period

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

RISK ASSESSMENT AND MANAGEMENT

The Board of Trustees is responsible for ensuring there are effective and adequate risk management and internal control systems in place to manage the major risks to which the Charity is exposed. The Board reviews the risk register at each meeting. Post the merger with NIAB, the risk assessment is aligned with that of the Group.

Future Principal Risks and Uncertainties

Risk Area	Risk	Management
Covid-19	Business disruption from staff absence Managing the return of staff to work	The Trustees continue to follow government guidelines and implement local rules regarding hygiene and social distancing Risk assessments for utilisation of buildings and carrying out of activities and for return to work by employees Continued support of remote working
Strategy / Process	Failure to deliver the business plan	The CEO and Executive team remain focused on the actions required to deliver the Business Strategy and Annual Business Plan, whilst ensuring the short-term focus on the Business Continuity plan.
Strategy / Process	Loss of data either electronic or paper	Review of NIABs disaster recovery plan required annually. The Executive have agreed the necessary organisational and investment programme.
Financial	Reduction of the deficit and repayment of loans from the Trust	Delivery of the 5-year business plan, with a focus on annual and sustained surplus generation

STRUCTURE, GOVERNANCE and MANAGEMENT

Members and Board of Trustees

NIAB is the sole member of NIAB EMR.

Board of Trustees

The Board of Trustees comprises the Chair and up to four additional Trustee directors. The following Trustees have served during the period:

Dr N W Kerby MBE, Chairman
Professor P J Gregory (resigned 8 December 2020)
Dr T L Barsby OBE

Professor M J Caccamo was appointed on 1 October 2021.

Recruitment, induction and training of Trustees

NIAB EMR recruits Trustees with the relevant skillset to support the charity's activities. An induction programme has been put in place for newly appointed Trustees and is kept under review and updated where appropriate. In addition, Trustees are in regular contact with the Managing Director and executive team and receive updates on key areas of activity.

Organisation and governance

NIAB EMR is incorporated in England and Wales and is a company limited by guarantee (registered number 09894859) and a registered charity (number 1165055). It is governed by its Memorandum and Articles of Association adopted on 30 November 2015.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

Trustee Remuneration

NIAB EMR does not remunerate its Trustees.

Decision making and key management

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

The key management personnel are appointed by NIAB's Chief Executive. To facilitate effective operations, a Managing Director is appointed to manage the day-to-day operations at East Malling and has delegated authority for all operational matters. As NIAB EMR forms part of a larger group it is managed on a group basis.

The NIAB Group nominations and remuneration committee consider the pay for key management personnel in the context of the overall NIAB EMR pay award, and the benchmarking of similar roles.

The average number of employees for the year was 65 (2020 - 70). A policy of equal opportunity is pursued throughout, including the treatment of applications for employment from people who may be disabled, taking account only of the qualifications and abilities of each individual. Should any employee become disabled during the course of employment every effort would be made to retain that person's services and to provide necessary retraining.

Continuing education and training are regarded as vital for the continuance of the company's work and assistance to this end is provided to a significant number of employees.

Liability Insurance

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

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

The Trustees (who are also directors of NIAB EMR for the purposes of company law) are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and regulations.

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is 'inappropriate to presume that the charitable company will continue in business'.

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

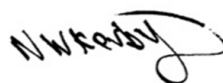
The Trustees confirm that:

- so far as each Trustee is aware, there is no relevant audit information of which the auditors are unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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

The Trustees approve the Trustees Report incorporating the Strategic Report and financial statements.

Signed on behalf of the Board of Trustees of NIAB EMR



Dr N W Kerby, Chairman

Date: 12 November 2021

Independent Auditors' Report to the Members of NIAB EMR

Opinion

We have audited the financial statements of NIAB EMR ('the charitable company') for the year ended 31 March 2021 which comprise the Statement of Financial Activities, the Balance sheet, the Statement of cashflows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2021 and of its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charitable company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The trustees are responsible for the other information contained within the annual report. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Independent Auditors' Report to the Members of NIAB EMR (continued)

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement set out on page 7, the trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

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

-

Independent Auditors' Report to the Members of NIAB EMR (continued)

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

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

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

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which might be fundamental to the charitable company's ability to operate or to avoid a material penalty. We also considered the opportunities and incentives that may exist within the charitable company for fraud. The laws and regulations we considered in this context for the UK operations were General Data Protection Regulation (GDPR), Health and safety legislation, employment legislation and taxation legislation.

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

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

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

Use of our report

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

N. Hashemi

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

London

Date: 30 November 2021

NIAB EMR

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

	Note	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Income from:					
Charitable activities	3	4,906	2,278	7,184	5,243
Investments	4	118	-	118	518
		<u>5,024</u>	<u>2,278</u>	<u>7,302</u>	<u>5,761</u>
Total income					
Expenditure on:					
Charitable activities	5	5,225	280	5,505	5,421
		<u>5,225</u>	<u>280</u>	<u>5,505</u>	<u>5,421</u>
Total expenditure					
Net (expenditure)/income					
		(201)	1,998	1,797	340
Transfers between funds	17	1,998	(1,998)	-	-
		<u>1,797</u>	<u>-</u>	<u>1,797</u>	<u>340</u>
Net movement in funds					
Reconciliation of funds:					
Total funds brought forward		(151)	-	(151)	(491)
Net movement in funds		1,797	-	1,797	340
		<u>1,646</u>	<u>-</u>	<u>1,646</u>	<u>(151)</u>
Total funds carried forward					

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

The notes on pages 13 to 29 form part of these financial statements.

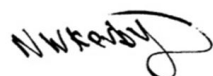
NIAB EMR
Registered number: 09894859

Balance Sheet
As at 31 March 2021

	Note	2021 £000	2020 £000
Fixed assets			
Intangible assets	11	980	835
Tangible assets	12	2,825	985
		3,805	1,820
Current assets			
Debtors	14	1,300	1,526
Cash at bank and in hand		1,322	45
		2,622	1,571
Creditors: amounts falling due within one year	15	(3,281)	(2,002)
Net current liabilities		(659)	(431)
Total assets less current liabilities		3,146	1,389
Creditors: amounts falling due after more than one year	16	(1,500)	(1,540)
Total net assets/(liabilities)		1,646	(151)
Charity funds			
Restricted funds	17	-	-
Unrestricted funds	17	1,646	(151)
Total funds		1,646	(151)

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

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



Dr N W Kerby MBE

Date: 12 November 2021

The notes on pages 13 to 29 form part of these financial statements.

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

1. General information

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The particular accounting policies adopted in the preparation of the financial statements are set out below and have been applied consistently.

NIAB EMR 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. Accounting policies

2.1 Basis of preparation of financial statements

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”.

- the requirements of Section 4 Statement of Financial Position paragraph 4.12(a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.30 to 11.48a;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29.

2.2 Fund accounting

General unrestricted funds

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

Restricted funds

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 purpose.

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

2. Accounting policies (continued)

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.

Incoming resources from charitable activities are accounted for in the year in which the service is provided.

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.

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

2.4 Coronavirus Job Retention Scheme

Government grants are recognised on the performance model, when the charity has complied with any conditions attaching to the grant and the grant will be received. The grant in connection to the Coronavirus Job Retention Scheme has been recognised in the period to which the underlying furloughed staff costs relate. Included in income is an amount of £101,593 in respect of the Coronavirus Job Retention Scheme.

2.5 Accrued and deferred income

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

2.6 Resources expended

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

Support costs

Support costs which include central office functions such as general management, finance, information technology and human resources are allocated across categories of expenditure. The basis of the cost allocation has been explained in note 6 to the accounts.

Governance costs

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

All expenditure is inclusive of irrecoverable VAT.

2.7 Research and development

All research and development costs are written off as incurred.

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

2. Accounting policies (continued)

2.8 Foreign currencies

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

The Charity's functional and presentational currency is GBP.

2.9 Intangible assets and amortisation

Purchased goodwill

Goodwill representing the excess of the purchase price compared with the fair value of net assets acquired is capitalised and amortised evenly over 5 years as in the opinion of the Trustees this represents the period over which the goodwill is expected to give rise to economic benefit. Goodwill is reviewed for impairment at the end of the first financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Plant variety rights

Plant variety rights are recognised at their fair value at acquisition and are amortised evenly over the period in which the rights expire, as in the opinion of the Trustees this represents the period over which the rights are expected to give rise to economic benefit. Plant variety rights are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

2.10 Tangible fixed assets and depreciation

All tangible assets are stated at historical cost.

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

Depreciation is provided on cost over the estimated lives of the assets.

Depreciation is provided on the following bases:

Agricultural and motor vehicles	- 3-10 years straight line
Apparatus and equipment	- 3-10 years straight line

2.11 Investments

Investments in subsidiaries are stated at cost. To the extent that the carrying value exceeds the recoverable amount, an impairment loss is recognised. The performance of East Malling Services Ltd., a wholly owned subsidiary of NIAB EMR, is reviewed on a regular basis to monitor the financial performance of the commercial activities.

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

2. Accounting policies (continued)

2.12 Debtors

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

2.13 Cash and cash equivalents

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

2.14 Creditors

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

2.15 Financial instruments

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

2.16 Pensions

NIAB EMR operates a money purchase scheme, in addition to making contributions into employees' personal pension schemes. For these, the pension costs charged in the financial statements represent the contributions payable by the company during the period.

2.17 Redundancy payments

Redundancy payments are recognised as a liability and an expense only when the event is demonstrably committed to by either:

- a) termination of the employment of an employee or group of employees before the normal retirement date; or
- b) provision of termination benefits as a result of an offer made in order to encourage voluntary redundancy.

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

2. Accounting policies (continued)

2.18 Going concern

The Trustees have acknowledged the guidance on going concern and financial reporting published by the Financial Reporting Council in 2016.

The ultimate parent undertaking is NIAB (charity no: 1064230). The majority of the business, assets and liabilities of NIAB EMR have been merged into NIAB to form a single entity on a going concern basis.

The Trustees have reviewed the NIAB Group cash flows and management accounts supporting its own and NIAB's activities for the period to 31 March 2023.

The Trustees have considered the following in arriving at their conclusions on going concern: -

1. NIAB's cash flow forecast and latest management accounts, which give confidence that the charity can continue to pay its debts as they fall due.
2. The continued support of the National Institute of Agricultural Botany Trust (TRUST) to NIAB group through the provision of facilities and funding support which has been confirmed through to March 2023.
3. The TRUST's joint responsibility to the Pension Scheme including to fund future Pension Scheme Recovery Plan payments

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

2.19 Judgements in applying accounting policies and key sources of estimation uncertainty

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

- Depreciation, which has been charged in line with the accounting policy above. The amount of depreciation charged and net book value of the assets is included in note 12.
- Intangible assets which were recognised at the fair value of acquisition have been amortised and the net book value of the assets is included in Note 11.

NIAB EMR

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

3. Income from charitable activities

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000
Laboratory and Research	4,722	2,278	7,000
Other activities	184	-	184
Total 2021	4,906	2,278	7,184

	<i>Unrestricted funds 2020 £000</i>	<i>Restricted funds 2020 £000</i>	<i>Total funds 2020 £000</i>
Laboratory and Research	5,023	95	5,118
Other activities	125	-	125
<i>Total 2020</i>	<i>5,148</i>	<i>95</i>	<i>5,243</i>

4. Investment income

	Unrestricted funds 2021 £000	Total funds 2021 £000
Gift aid received from subsidiary	118	118

	<i>Unrestricted funds 2020 £000</i>	<i>Total funds 2020 £000</i>
Gift aid received from subsidiary	518	518

NIAB EMR

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

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2021 £000	Restricted funds 2021 £000	Total funds 2021 £000
Laboratory and Research	5,225	280	5,505

	<i>Unrestricted funds 2020 £000</i>	<i>Restricted funds 2020 £000</i>	<i>Total funds 2020 £000</i>
Laboratory and Research	5,326	95	5,421

NIAB EMR

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

6. Analysis of expenditure by activities

	Activities undertaken directly 2021 £000	Support costs 2021 £000	Total funds 2021 £000
Laboratory and Research	4,559	946	5,505

	<i>Activities undertaken directly 2020 £000</i>	<i>Support costs 2020 £000</i>	<i>Total funds 2020 £000</i>
Laboratory and Research	4,257	1,164	5,421

Analysis of support costs

	Total funds 2021 £000	<i>Total funds 2020 £000</i>
Management	433	605
Finance	264	292
Information Technology	86	116
Human Resources	57	50
Governance	106	101
	946	1,164

Central support costs have been allocated to cost categories on a basis consistent with use of resources e.g. staff costs by the time spent and other costs by their usage.

NIAB EMR

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

7. Auditors' remuneration

	2021 £000	2020 £000
Fees payable to the Charity's auditor and its associates for the audit of the Charity's annual accounts	6	6

8. Staff costs

	2021 £000	2020 £000
Wages and salaries	2,018	2,043
Social security costs	174	179
Contribution to defined contribution pension schemes	159	182
	2,351	2,404

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

	2021 No.	2020 No.
Technical and scientific	54	55
Support staff	11	15
	65	70

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2021 No.	2020 No.
In the band £60,001 - £70,000	1	1
In the band £70,001 - £80,000	-	1

The key management personnel during the year were:

Professor M Caccamo (Managing Director NIAB EMR; CEO of NIAB from 1 October 2021)
Dr T L Barsby (CEO of NIAB - to 30 September 2021)
S C Masson (CFO of NIAB - to 31 December 2020)

All of the above were employed by and paid through NIAB, this charity's parent charity.

NIAB EMR

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

9. Trustees' remuneration and expenses

No Trustees received any remuneration or other benefits from the Charity during the year and no Trustee expenses were incurred during the year (2020 - £Nil and £Nil).

10. Taxation

NIAB EMR is a registered charity and is thus exempt from tax on income and capital gains falling within section 505 of the Income and Corporation Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives. No tax charges have arisen in the Charitable Company.

There is no provision for deferred tax on fair value adjustments because any chargeable gains are applied to charitable objectives so no tax liability arises.

11. Intangible assets

	Plant variety rights £000	Goodwill £000	Total £000
Cost			
At 1 April 2020	1,100	100	1,200
Additions	250	-	250
At 31 March 2021	1,350	100	1,450
Amortisation			
At 1 April 2020	284	81	365
Charge for the year	86	19	105
At 31 March 2021	370	100	470
Net book value			
At 31 March 2021	980	-	980
At 31 March 2020	816	19	835

NIAB EMR

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

12. Tangible fixed assets

	Agricultural and motor vehicles £000	Apparatus and equipment £000	Assets under construction £000	Total £000
Cost or valuation				
At 1 April 2020	34	1,603	-	1,637
Additions	8	82	2,009	2,099
At 31 March 2021	42	1,685	2,009	3,736
Depreciation				
At 1 April 2020	32	620	-	652
Charge for the year	2	257	-	259
At 31 March 2021	34	877	-	911
Net book value				
At 31 March 2021	8	808	2,009	2,825
At 31 March 2020	2	983	-	985

NIAB EMR

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

13. Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Principal activity	Class of shares	Holding
East Malling Services Ltd.	02335037	Horticulture	ordinary	100%

The financial results of the subsidiary for the year were:

Name	Income £000	Expenditure £000	Profit/(Loss)/ Surplus/ (Deficit) for the year £000	Net assets £000
East Malling Services Ltd.	2,912	(2,886)	26	496

On 1 April 2021 the business, assets and liabilities of NIAB EMR were merged into the parent company, NIAB. Consequently East Malling Services Ltd. became a direct subsidiary of NIAB on that date.

14. Debtors

	2021 £000	2020 £000
Due within one year		
Trade debtors	580	405
Amounts owed by group undertakings	559	873
Other debtors	-	1
Prepayments and accrued income	161	247
	1,300	1,526

NIAB EMR

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

15. Creditors: Amounts falling due within one year

	2021	<i>2020</i>
	£000	<i>£000</i>
Trade creditors	225	191
Amounts owed to group undertakings	850	730
Other taxation and social security	46	45
Pension fund	23	-
Other creditors	1,260	186
Accruals and deferred income	877	850
	3,281	<i>2,002</i>
	3,281	<i>2,002</i>
	2021	<i>2020</i>
	£000	<i>£000</i>
Deferred income at 1 April 2020	384	75
Resources deferred during the year	262	384
Amounts released from previous periods	(309)	(75)
	337	<i>384</i>
	337	<i>384</i>

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

	2021	<i>2020</i>
	£000	<i>£000</i>
Loan	1,500	1,500
Other creditors	-	40
	1,500	<i>1,540</i>
	1,500	<i>1,540</i>

Other creditors related to restructure costs. In 2017 the company implemented a new strategic model to align its resources with stakeholder expectations.

The company has a loan, bearing interest at market rate, from the National Institute of Agricultural Botany Trust, a related party of NIAB, which is repayable within 10 years from January 2016. The loan is secured on the assets of the charity. Interest payable in the year on this loan amounted to £31k (2020: £41k).

NIAB EMR

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

17. Statement of funds

Statement of funds - current year

	Balance at 1 April 2020 £000	Income £000	Expenditure £000	Transfers in/out £000	Balance at 31 March 2021 £000
Unrestricted funds					
General Fund	(151)	5,024	(5,225)	1,998	1,646
Restricted funds					
Restricted Grants	-	80	(80)	-	-
East Malling Trust	-	200	(200)	-	-
Capital grants	-	1,998	-	(1,998)	-
	-	2,278	(280)	(1,998)	-
Total of funds	(151)	7,302	(5,505)	-	1,646

During the year the Charity received restricted grants totalling £1,998k for the purchase of specified fixed assets. Once purchased, the fixed assets form part of the unrestricted assets and a transfer has therefore been made.

Statement of funds - prior year

	<i>Balance at 1 April 2019 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Balance at 31 March 2020 £000</i>
Unrestricted funds				
General Fund	(491)	5,666	(5,326)	(151)
Restricted funds				
Restricted Funds - all funds	-	95	(95)	-
Total of funds	(491)	95	(5,421)	(151)

NIAB EMR

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

18. Analysis of net assets between funds

Analysis of net assets between funds - current year

	Unrestricted funds 2021 £000	Total funds 2021 £000
Tangible fixed assets	2,825	2,825
Intangible fixed assets	980	980
Current assets	2,622	2,622
Creditors due within one year	(3,281)	(3,281)
Creditors due in more than one year	(1,500)	(1,500)
Total	1,646	1,646

Analysis of net assets between funds - prior year

	<i>Unrestricted funds 2020 £000</i>	<i>Total funds 2020 £000</i>
Tangible fixed assets	985	985
Intangible fixed assets	835	835
Current assets	1,571	1,571
Creditors due within one year	(2,002)	(2,002)
Creditors due in more than one year	(1,540)	(1,540)
Total	(151)	(151)

NIAB EMR

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

19. Operating lease commitments

At 31 March 2021 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2021	<i>2020</i>
	£000	<i>£000</i>
Not later than 1 year	-	383
Later than 1 year and not later than 5 years	-	275
	<hr/>	<hr/>
	-	658
	<hr/> <hr/>	<hr/> <hr/>

Under the merger agreement (see note 23) all leases were transferred to NIAB. Consequently, future minimum lease payments in respect of the leases previously held by NIAB EMR are disclosed in the group accounts.

The following lease payments and changes in lease payments have been recognised in the Statement of financial activities:

	2021	<i>2020</i>
	£000	<i>£000</i>
Operating lease rentals		
Land and buildings	427	432
Motor vehicles	4	4
	<hr/>	<hr/>
	431	436
	<hr/> <hr/>	<hr/> <hr/>

20. Members' liability

The charitable company is incorporated as a company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £1 in the event of the company being wound up. At 31 March 2021 there was 1 member (2020: 1) - the parent charity NIAB. The member has full voting rights.

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

21. Related party transactions

The charitable company has taken advantage of the exemption conferred by Financial Reporting Standard 102 not to disclose any transactions with its parent undertaking and wholly owned subsidiary undertakings. No transactions have been undertaken with key management personnel during the period.

At 31 March 2021 NIAB EMR had a loan of £1,500,000 from National Institute of Agricultural Botany Trust, a related party of NIAB. This loan is secured by a first fixed and floating charge on the assets of NIAB EMR and, while there is no fixed repayment timetable, it is repayable within 10 years. Interest is charged at 2% above the Bank of England base rate, which is considered to be a market value. Interest payable in the year on this loan amounted to £31k (2020: £41k).

Under the merger agreement (see note 23) this loan has been transferred to NIAB.

22. Immediate and ultimate parent undertaking

The immediate and ultimate parent undertaking of this company is NIAB which is incorporated in England and is a registered charity. The consolidated accounts of NIAB are available from its registered office at 93 Lawrence Weaver Road, Cambridge CB3 0LE.

23. Post balance sheet events

On 1 April 2021 the business, assets and liabilities of NIAB EMR were merged into the parent company, NIAB.

NIAB EMR

England & Wales - Charity number 1165055

Accounts

NIAB EMR

Trustees' Report and Financial Statements

For the Year Ended 31 March 2020

NIAB EMR

Contents

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1
Trustees' report	2 - 9
Independent auditors' report on the financial statements	10 - 12
Statement of financial activities	13
Balance sheet	14
Notes to the financial statements	15 - 31

NIAB EMR

Reference and Administrative Details of the Charity, its Trustees and Advisers For the Year Ended 31 March 2020

Trustees Dr N W Kerby MBE, Chair
Dr T L Barsby OBE, NIAB Chief Executive
Professor P J Gregory

Company registered number 09894859

Charity registered number 1165055

Registered office 93 Lawrence Weaver Road
Cambridge
CB3 0LE

Company secretary S C Masson

NIAB Chief executive Dr T Barsby OBE

NIAB EMR Managing Director Dr M Caccamo

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

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

Solicitors Birketts LLP
22 Station Road
Cambridge
CB1 2JD

Thomson Snell & Passmore LLP
3 Lonsdale Gardens
Tunbridge Wells
Kent
TN1 1NX

TRUSTEES' REPORT INCORPORATING THE STRATEGIC REPORT

STRATEGIC REVIEW

Background

NIAB EMR was incorporated in November 2015 and commenced activities when it bought the business and assets of East Malling Research on 9th February 2016.

NIAB EMR is a wholly owned subsidiary charity of NIAB. As part of the NIAB Group, NIAB EMR's expertise in horticultural and environmental science, including expertise in advanced plant breeding, soil science, water resource use efficiency and biological pest control, complements the strengths of the parent organisation in genetics and pre-breeding, variety evaluation, agronomy research, precision farming and informatics, bringing together the scientific expertise required to support progressive crop production.

Mission and Vision

Our mission is to conduct high-quality strategic and applied research in horticultural and environmental sciences, and to deliver knowledge, products and services that benefit public and private customers.

Our vision is to consolidate NIAB EMR's position as global leader in strategic and applied research, development and innovation in horticulture, with a particular emphasis on perennial and protected edible crops.

Strategy

The strategy of NIAB EMR is to be an integral part of the strategy of the wider NIAB Group, bringing resilience and greater impact to the group as a whole.

The aim of NIAB EMR's innovative applied science and research is to support the production of horticultural crops, delivering knowledge, products and services to UK and international growers, industries, and public bodies and consumers. We focus on translating science into practice to meet the practical needs of growers: one of the original objectives of research at East Malling and a principle focus for over 100 years.

NIAB EMR's research activities are focused on increasing production and profitability of growers/producers who are experiencing a more variable and changing climate. We plan to enhance the provision of other ecosystem services, increase the efficiency of resource use, reduce waste across the food system, and minimise greenhouse gas emissions.

Our research is delivered through three scientific research departments: Genetics, Genomics and Breeding; Pest and Pathogen Ecology; and Crop Science and Production Systems.

Public Benefit

NIAB EMR seeks to:

- advance training and education in the biosciences and in particular horticulture and plant based science, primarily through the promotion of research and development work and the publication of the scientific results thereof for the benefit of the public;
- advance science for public benefit, primarily through the support of research and development, particularly in the fields of horticultural and other plant based disciplines; and
- promote agriculture, horticulture and arboriculture anywhere in the world by such charitable means as the Trustees shall determine.

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

Performance

In order for NIAB EMR to continue to deliver its charitable objects, the charity must operate from a sound financial position, and hence the main focus of the year was the alignment of resources to ensure that it can provide a self-sustainable science base to continue its research, training and dissemination of knowledge.

Our performance against the specific 2019/20 objectives is highlighted in the table below:-

Objectives	Performance
Develop a five year plan and strategy for 2020 to 2025.	A five year plan has been developed for NIAB EMR, and this has been consolidated into an overall five year strategy for NIAB.
Continue to seek capital funding to support the infrastructure at East Malling with a focus on areas of priorities (e.g. glasshouse and polytunnels)	<p>With the support of the East Malling Trust who have pledged financial support, a bid was submitted to the UK government's Strength in Places Fund (SIPF). The award of an £18m SIPF grant was confirmed in April 2020. This award will support the development of a cluster led by NIAB EMR that brings together local businesses and universities. A proposal was also submitted to the South East LEP (SELEP) Local Growth Fund. Subsequently the award of this £1.68M grant was confirmed by the SELEP in July 2020.</p> <p>These successes combined will lead to a renewal of the facilities at East Malling and provide renewed scope for stakeholder engagement and impact from the research at NIAB EMR.</p>
Continue the development of NIAB EMR's viticulture research to meet the UK wine growers' practical needs. Introducing the red Divico grape variety into the UK grower market.	During the year the research vineyard continued to be developed in consultation with the East Malling Viticulture Consortium group organised through NIAB EMR. This consortium supports the activities and development of the research vineyard. The membership covers more than 60% of the UK's vine growers and wine makers. In partnership with the East Malling Trust, a successful proposal was submitted to SELEP Growing Places Fund scheme with the purpose of developing a Wine Innovation Centre at East Malling.
Protect and release 2 new varieties	Plant variety rights applications were filed for a new early plum variety and an everbearer strawberry variety.

Objectives

NIAB EMR is looking to address the following objectives in the forthcoming year:-

1. Towards the end of the March 2020 Covid-19 arrived as a global pandemic. The principle objective for the period then became ensuring business continuity and employee wellbeing.
2. Implement development of new facilities at East Malling, delivering on the objectives of the SIPF and the SELEP scheme
3. Apply for Plant Variety Rights for two new fruit varieties.
4. Seek to merge NIAB EMR fully into NIAB. When NIAB took on the activities of NIAB EMR those activities were placed into a subsidiary charity, NIAB EMR. The reasons for doing this are no longer relevant.

FINANCIAL REVIEW

Income

The total incoming resources for the period was £5,761k (2019: £5,188k). This income is derived from a mixture of research grants and contracts, as well as recharges to East Malling Services, a subsidiary organisation.

Expenditure

The total outgoing ordinary expenditure totalled £5,421k (2019: £5,313k). Of that amount £2,404k (2019 £2,387k) was related to staff costs for staff either directly employed by NIAB EMR or employed by NIAB but working on NIAB EMR projects with amounts being charged to NIAB EMR for their time.

Capital Expenditure

The charity funded the capital purchases from unrestricted income. £330k (2019: £176k) was spent on fixed assets.

Business Review and Key Performance Indicators

NIAB EMR is considering the most appropriate Key Performance Indicators by which the development, performance or position of the various elements of its operations can be effectively measured.

The following are considered among the Key Performance Indicators:-

	2020	2019
Charitable Income	£5,761k	£5,188k
Expenditure	£5,421k	£5,313k
Average Staff Numbers	68	67
Turnover per annum per head	£85k	£77k

The primary objective was to maintain income and the quality, relevance and impact of our research, whilst achieving the targets within a 3 year plan developed prior to acquisition of the activities from East Malling Research. NIAB EMR met the target for its 3 year plan.

Subsidiaries and related parties

NIAB EMR is part of the NIAB Group of companies; NIAB (Charity No: 1064230) controlling NIAB EMR through its membership of the charity. The results of NIAB EMR and those of East Malling Services Limited are consolidated within NIAB's financial statements. The results of East Malling Services are not consolidated into the financial statements of NIAB EMR. The trading subsidiary made a profit for the year £339k (2019: £638k), in part as a result of royalty income from Plant Variety Rights of £878k (2019 £874k).

Reserves Policy

The total charity reserves show a negative £151k (2019: negative £491k). The Board are mindful of their commitment to repay the loan from the NIAB Trust within 10 years, and along with NIAB have set a target level of positive general reserves equivalent to between 2 and 4 months expenditure.

Going Concern

The Trustees have acknowledged the guidance on going concern and financial reporting published by the Financial Reporting Council in 2016.

The ultimate parent undertaking is NIAB (charity no: 1064230). It is the intention of both NIAB and NIAB EMR to merge into a single charity on a going concern basis within 12 months of the date of these accounts.

The charity is expected to continue to generate positive cash flows on its own account and as part of the merged charity.

The Trustees have reviewed the cash flows and management accounts supporting its own and NIAB's activities for the next two years.

The Trustees have considered the following in arriving at their conclusions on going concern: -

1. The cash flow forecast and latest management accounts, which give confidence that the charity can continue to pay its debts as they fall due. This is supported by NIAB confirming its continued

financial support for the charity for at least twelve months from the date of these accounts.

2. The NIAB TRUST's continued support to NIAB group through the provision of facilities and funding support.
3. The NIAB TRUST's joint responsibility to fund future Pension Scheme Recovery Plan payments

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

Accounting Period

The financial year end is 28 March 2020, however the financial statements continue to be prepared to 31 March 2020 as permitted by section 390(3) of the Companies Act 2006.

RISK ASSESSMENT AND MANAGEMENT

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

Principal Risks and Uncertainties

Risk Area	Risk	Management
Covid-19	<ul style="list-style-type: none"> • On site infection of staff or visitors • Loss of income • Access to property to carry out activities • Loss of key staff 	<ul style="list-style-type: none"> • The Trustees adopted a policy covering hygiene and social distancing • Monitoring of government guidelines and implementation of local rules regarding hygiene and social distancing • Use of government furlough scheme • Early and ongoing discussion with key funders • Regular and frequent Executive meetings and staff communications. • Risk assessments for utilisation of buildings and carrying out of activities and for return to work by employees • Change in delivery of activities e.g. in the field, running on line seminars and events • Buildings remaining open but with flexibility (opening times, one way system, provision of PPE, cleaning facilities, risk assessments) • Support of remote working
Governance and Trust issues	<ul style="list-style-type: none"> • Failure of the strategic relationship with the East Malling Trust 	<ul style="list-style-type: none"> • Maintain momentum regarding collaborations. Formation of Joint Trust Working Group.
Business Strategy	<ul style="list-style-type: none"> • Failure of the business strategy 	<ul style="list-style-type: none"> • CEO, MD and Executive team remain focussed on actions required to deliver the Business Strategy.
Business process and internal controls	<ul style="list-style-type: none"> • Resilience of IT systems • Major outbreak of plant/livestock disease • Loss of water supply for irrigation 	<ul style="list-style-type: none"> • Integration with Cambridge IT. New investment in server infrastructure and Office 365 underway. Disaster recovery plan to be reviewed annually. • Maintenance of protocols. Threat of Xyella reviewed on a regular basis. • Regular maintenance and compliance with extraction licence monitored in conjunction with EML. Working with the East Malling Trust to maintain the underground system.

<p>Financial Risks</p>	<ul style="list-style-type: none"> • Insufficient reserves to repay the NIAB TRUST loan • Strain on working capital given cash flow uncertainties over timing of income and expenditure. • Negative impact of BREXIT 	<ul style="list-style-type: none"> • Review progress against cash flow budget. • Reserves policy. • Regular review. • Monitor the impact on customers and staff.
<p>External and environmental factors</p>	<ul style="list-style-type: none"> • Intruders, theft • Major IT or communication issue 	<ul style="list-style-type: none"> • Monitor security services provided by landlord. • Improve coordination across sites.

TRUSTEES' REPORT

STRUCTURE, GOVERNANCE and MANAGEMENT

Members and Board of Trustees

NIAB is the sole member of NIAB EMR.

Board of Trustees

The Board of Trustees comprises the Chair and up to four additional Trustee directors. The following Trustees have served during the period:-

Dr. N W Kerby MBE, Chairman
Professor P J Gregory
Dr. T L Barsby OBE

Recruitment, induction and training of Trustees

NIAB EMR recruits Trustees with the relevant skillset to support the charity's activities. An induction programme has been put in place for newly appointed Trustees and is kept under review and updated where appropriate. In addition, Trustees are in regular contact with the Managing Director and executive team, and receive updates on key areas of activity.

Organisation and governance

NIAB EMR is incorporated in England and Wales and is a company limited by guarantee (registered number 09894859) and a registered charity (number 1165055). It is governed by its Memorandum and Articles of Association adopted on 30 November 2015.

The financial statements have been prepared in accordance with the Charities Act 2011, the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015).

Trustee Remuneration

NIAB EMR does not remunerate its Trustees.

Decision making and key management

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

The key management personnel are appointed by NIAB's Chief Executive. To facilitate effective operations, a Managing Director is appointed to manage the day to day operations at East Malling, and has delegated authority for all operational matters. As NIAB EMR forms part of a larger group it is managed on a group basis.

The NIAB group nominations and remunerations committee consider the pay for key management personnel in the context of the overall NIAB EMR pay award, and the benchmarking of similar roles.

The average number of employees for the year was 68 (2019 - 67). A policy of equal opportunity is pursued throughout, including the treatment of applications for employment from people who may be disabled, taking account only of the qualifications and abilities of each individual. Should any employee become disabled during the course of employment every effort would be made to retain that person's services and to provide necessary retraining.

Continuing education and training is regarded as vital for the continuance of the company's work and assistance to this end is provided to a significant number of employees.

Liability Insurance

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

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

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

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

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgments and accounting estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.

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

The Trustees confirm that:

- so far as each Trustee is aware, there is no relevant audit information of which the auditors are unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

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

Independent Auditors

A resolution to reappoint Crowe U.K. LLP, Chartered Accountants, will be put to the members at a General Meeting, in accordance with section 485 of the Companies Act 2006.

The Trustees approve the Trustees Report incorporating the Strategic Report and financial statements

Signed on behalf of the Board of Trustees of NIAB EMR



Dr T L Barsby OBE

Date: 8 December 2020

Independent Auditors' Report to the Members of NIAB EMR

Opinion

We have audited the financial statements of NIAB EMR for the year ended 31 March 2020 which comprise the Statement of Financial Activities, the Balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 March 2020 and of its incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the charitable company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Trustees have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the charitable company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Independent Auditors' Report to the Members of NIAB EMR (continued)

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

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

Independent Auditors' Report to the Members of NIAB EMR (continued)

Responsibilities of trustees

As explained more fully in the Trustees' responsibilities statement set out on page 8, the Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Trustees are responsible for assessing the charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of our report

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

N. Hashemi

Naziar Hashemi (Senior statutory auditor)

for and on behalf of

Crowe U.K. LLP

Statutory Auditors

55 Ludgate Hill

London

EC4M 7JW

Date: 18 December 2020

NIAB EMR

**Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 March 2020**

	Note	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000	<i>Total funds 2019 £000</i>
Income from:					
Charitable activities	3	5,148	95	5,243	5,093
Investments	4	518	-	518	95
Total income		5,666	95	5,761	5,188
Expenditure on:					
Charitable activities	5	5,326	95	5,421	5,313
Total expenditure		5,326	95	5,421	5,313
Net movement in funds		340	-	340	(125)
Reconciliation of funds:					
Total funds brought forward		(491)	-	(491)	(366)
Net movement in funds		340	-	340	(125)
Total funds carried forward		(151)	-	(151)	(491)

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

The notes on pages 15 to 31 form part of these financial statements.

Balance Sheet
As at 31 March 2020

	Note	2020 £000	2019 £000
Fixed assets			
Intangible assets	11	835	923
Tangible assets	12	985	897
		1,820	1,820
Current assets			
Debtors	13	1,526	869
Cash at bank and in hand		45	556
		1,571	1,425
Creditors: amounts falling due within one year	14	(2,002)	(2,152)
Net current liabilities		(431)	(727)
Total assets less current liabilities		1,389	1,093
Creditors: amounts falling due after more than one year	15	(1,540)	(1,584)
Net liabilities		(151)	(491)
Total net assets		(151)	(491)
Charity funds			
Restricted funds	16	-	-
Unrestricted funds	16	(151)	(491)
Total funds		(151)	(491)

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

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



Dr T L Barsby OBE

Date: 8 December 2020

The notes on pages 15 to 31 form part of these financial statements.

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

1. General information

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015) – (Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006. The particular accounting policies adopted in the preparation of the financial statements are set out below and have been applied consistently.

NIAB EMR 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 note(s).

2. Accounting policies

2.1 Basis of preparation of the accounts

The charity has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland”. This information is included on a consolidated basis only

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 11 Financial Instruments paragraphs 11.39 to 11.48a;
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.29;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7

The charity is not preparing group accounts as the results of NIAB EMR and those of its subsidiary East Malling Services Limited are consolidated in its parent company NIAB.

2.2 Fund accounting

General unrestricted funds

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

Restricted funds

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 purpose.

2.3 Incoming resources

All incoming resources are included in the Statement of Financial Activities when the charity is legally entitled to the income and the amount can be quantified with reasonable accuracy. The following specific policy is applied:

Incoming resources from charitable activities are accounted for in the year in which the service is provided.

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

2. Accounting policies (continued)

2.4 Accrued and deferred income

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

2.5 Resources expended

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

Support costs

Support costs which include central office functions such as general management, finance, information technology and human resources are allocated across categories of expenditure. The basis of the cost allocation has been explained in note 6 to the accounts.

Governance costs

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

All expenditure is inclusive of irrecoverable VAT.

2.6 Research and development

All research and development costs are written off as incurred.

2.7 Foreign currencies

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the Statement of Financial Activities.

The Charity's functional and presentational currency is GBP.

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

2. Accounting policies (continued)

2.8 Intangible assets and amortisation

Purchased goodwill

Goodwill representing the excess of the purchase price compared with the fair value of net assets acquired is capitalised and amortised evenly over 5 years as in the opinion of the Trustees this represents the period over which the goodwill is expected to give rise to economic benefit. Goodwill is reviewed for impairment at the end of the first financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Plant variety rights

Plant variety rights are recognised at their fair value at acquisition and are amortised evenly over the period which the rights expire, as in the opinion of the Trustees this represents the period over which the rights are expected to give rise to economic benefit. Plant variety rights are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable.

Amortisation is provided on intangible assets at rates calculated to write off the cost of each asset on a straight-line basis over its expected useful life.

2.9 Tangible fixed assets and depreciation

All tangible assets are stated at historical cost.

Depreciation is provided on cost over the estimated lives of the assets.

Depreciation is provided on the following bases:

Agricultural and motor vehicles	- 3-10 years straight line
Apparatus and equipment	- 3-10 years straight line

2.10 Investments

Investments in subsidiaries are stated at cost. To the extent that the carrying value exceeds the recoverable amount, an impairment loss is recognised. The performance of East Malling Services, a wholly owned subsidiary of NIAB EMR, is reviewed on a regular basis to monitor the financial performance of the commercial activities

2.11 Debtors

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

2.12 Cash and cash equivalents

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

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

2. Accounting policies (continued)

2.13 Creditors

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

2.14 Financial instruments

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

2.15 Pensions

NIAB EMR operates a money purchase scheme, in addition to making contributions into employees' personal pension schemes. For these, the pension costs charged in the financial statements represent the contributions payable by the company during the period.

2.16 Redundancy payments

Redundancy payments are recognised as a liability and an expense only when the event is demonstrably committed to by either:

- a) termination of the employment of an employee or group of employees before the normal retirement date; or
- b) provision of termination benefits as a result of an offer made in order to encourage voluntary redundancy.

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

2. Accounting policies (continued)

2.17 Going concern

The trustees have acknowledged the guidance on going concern and financial reporting published by the Financial Reporting Council in 2016.

The ultimate parent undertaking is NIAB (charity no: 1064230). It is the intention of both NIAB and NIAB EMR to merge into a single charity on a going concern basis within 12 months of the date of these accounts.

The charity is expected to continue to generate positive cash flows on its own account and as part of the merged charity.

The Trustees have reviewed the cash flow and management accounts supporting its own and NIAB's activities for the next two years.

The Trustees have considered the following in arriving at their conclusions on going concern: -

1. The cash flow forecast and latest management accounts, which give confidence that the charity can continue to pay its debts as they fall due. This is supported by NIAB confirming its continued financial support for the charity for at least twelve months from the date of these accounts.
2. The NIAB TRUST's continued support to NIAB group through the provision of facilities and funding support.
3. The TRUST's joint responsibility to fund future Pension Scheme Recovery Plan payments

After making enquiries and considering the uncertainties described above, the Trustees have a reasonable expectation that the charity has adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

2.18 Judgements in applying accounting policies and key sources of estimation uncertainty

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

- Depreciation, which has been charged in line with the accounting policy above. The amount of depreciation charged and net book value of the assets is included in note 12.
- Intangible assets which were recognised at the fair value of acquisition have been amortised and the net book value of the assets is included in Note 11.

NIAB EMR

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

3. Income from charitable activities

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000
Laboratory and research	5,023	95	5,118
Other activities	125	-	125
Total 2020	5,148	95	5,243

	<i>Unrestricted funds 2019 £000</i>	<i>Restricted funds 2019 £000</i>	<i>Total funds 2019 £000</i>
Laboratory and research	2,582	2,407	4,989
Other activities	104	-	104
<i>Total 2019</i>	<i>2,686</i>	<i>2,407</i>	<i>5,093</i>

4. Investment income

	Unrestricted funds 2020 £000	Total funds 2020 £000
Gift aid received from subsidiary	518	518

	<i>Unrestricted funds 2019 £000</i>	<i>Total funds 2019 £000</i>
Gift aid received from subsidiary	95	95

NIAB EMR

Notes to the Financial Statements
For the Year Ended 31 March 2020

5. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £000	Restricted funds 2020 £000	Total funds 2020 £000
Laboratory and research	5,326	95	5,421

	<i>Unrestricted funds 2019 £000</i>	<i>Restricted funds 2019 £000</i>	<i>Total funds 2019 £000</i>
Laboratory and research	2,906	2,407	5,313

NIAB EMR

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

6. Analysis of expenditure by activities

	Activities undertaken directly 2020 £000	Support costs 2020 £000	Total funds 2020 £000
Laboratory and research	4,257	1,164	5,421

	<i>Activities undertaken directly 2019 £000</i>	<i>Support costs 2019 £000</i>	<i>Total funds 2019 £000</i>
Laboratory and research	4,161	1,152	5,313

Analysis of support costs

	Total funds 2020 £000	<i>Total funds 2019 £000</i>
Management	605	566
Finance	292	302
Information Technology	116	109
Human Resources	50	77
Governance	101	98
	1,164	<i>1,152</i>

Central support costs have been allocated to cost categories on a basis consistent with use of resources e.g. staff costs by the time spent and other costs by their usage.

NIAB EMR

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

7. Auditors' remuneration

	2020	<i>2019</i>
	£000	<i>£000</i>
Fees payable to the Charity's auditor and its associates for the audit of the Charity's annual accounts	6	<i>6</i>

8. Staff costs

	2020	<i>2019</i>
	£000	<i>£000</i>
Wages and salaries	2,043	<i>2,014</i>
Social security costs	179	<i>176</i>
Contribution to defined contribution pension schemes	182	<i>197</i>
	2,404	<i>2,387</i>

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

	2020	<i>2019</i>
	No.	<i>No.</i>
Technical and scientific	55	<i>56</i>
Support staff	15	<i>11</i>
	70	<i>67</i>

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	2020	<i>2019</i>
	No.	<i>No.</i>
In the band £60,001 - £70,000	1	<i>1</i>
In the band £70,001 - £80,000	1	<i>1</i>

The key management personnel are:

Professor M Caccamo (Managing Director)
Dr T L Barsby (CEO of NIAB)
S C Masson (CFO of NIAB)

All of the above are employed by and paid through NIAB, this charity's parent charity.

NIAB EMR

Notes to the Financial Statements
For the Year Ended 31 March 2020

9. Trustees' remuneration and expenses

No Trustees received any remuneration or other benefits during the year and no Trustee expenses were incurred during the year (2019 - £Nil and £Nil).

10. Taxation

NIAB EMR is a registered charity and is thus exempt from tax on income and capital gains falling within section 505 of the Income and Corporation Taxes Act 1988 or section 256 of the Taxation of Chargeable Gains Act 1992 to the extent that these are applied to its charitable objectives. No tax charges have arisen in the Charitable Company.

There is no provision for deferred tax on fair value adjustments because any chargeable gains are applied to charitable objectives so no tax liability arises.

11. Intangible assets

	Plant variety rights £000	Goodwill £000	Total £000
Cost			
At 1 April 2019	1,100	100	1,200
At 31 March 2020	1,100	100	1,200
Amortisation			
At 1 April 2019	216	61	277
Charge for the year	68	20	88
At 31 March 2020	284	81	365
Net book value			
At 31 March 2020	816	19	835
At 31 March 2019	884	39	923

Notes to the Financial Statements
For the Year Ended 31 March 2020

12. Tangible fixed assets

	Agricultural and motor vehicles £000	Apparatus and equipment £000	Total £000
Cost or valuation			
At 1 April 2019	34	1,274	1,308
Additions	-	329	329
At 31 March 2020	<u>34</u>	<u>1,603</u>	<u>1,637</u>
Depreciation			
At 1 April 2019	29	382	411
Charge for the year	3	238	241
At 31 March 2020	<u>32</u>	<u>620</u>	<u>652</u>
Net book value			
At 31 March 2020	<u>2</u>	<u>983</u>	<u>985</u>
At 31 March 2019	<u>5</u>	<u>892</u>	<u>897</u>

NIAB EMR

Notes to the Financial Statements
For the Year Ended 31 March 2020

13. Debtors

	2020 £000	2019 £000
Due within one year		
Trade debtors	405	407
Amounts owed by group undertakings	873	68
Other debtors	1	47
Prepayments and accrued income	247	347
	<u>1,526</u>	<u>869</u>

14. Creditors: Amounts falling due within one year

	2020 £000	2019 £000
Trade creditors	191	111
Amounts owed to group undertakings	730	1,167
Other taxation and social security	45	48
Other creditors	186	478
Accruals and deferred income	850	348
	<u>2,002</u>	<u>2,152</u>

	2020 £000	2019 £000
Deferred income at 1 April 2019	75	221
Resources deferred during the year	384	71
Amounts released from previous periods	(75)	(217)
	<u>384</u>	<u>75</u>

NIAB EMR

Notes to the Financial Statements
For the Year Ended 31 March 2020

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

	2020	<i>2019</i>
	£000	<i>£000</i>
Loan	1,500	<i>1,500</i>
Other creditors	40	<i>84</i>
	1,540	<i>1,584</i>

Other creditors relate to restructure costs. In 2017 the Company implemented a new strategic model to align its resources with stakeholder expectations.

The Company has a loan, bearing interest at market rate, from the National Institute of Agricultural Botany Trust, a related party of NIAB EMR's ultimate parent NIAB, which is repayable within 10 years from January 2016. The loan is secured on the assets of the charity. Interest payable in the year on this loan amounted to £41k (2019: £40k).

NIAB EMR

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

16. Statement of funds

Statement of funds - current year

	Balance at 1 April 2019 £000	Income £000	Expenditure £000	Balance at 31 March 2020 £000
Unrestricted funds				
General Fund	(491)	5,666	(5,326)	(151)
Restricted funds				
Restricted Funds - all funds	-	95	(95)	-
Total of funds	(491)	5,761	(5,421)	(151)

Statement of funds - prior year

	<i>Balance at 1 April 2018 £000</i>	<i>Income £000</i>	<i>Expenditure £000</i>	<i>Balance at 31 March 2019 £000</i>
Unrestricted funds				
General Fund	(366)	2,781	(2,906)	(491)
Restricted funds				
Restricted Grants Fund	-	2,407	(2,407)	-
Total of funds	(366)	5,188	(5,313)	(491)

NIAB EMR

Notes to the Financial Statements
For the Year Ended 31 March 2020

17. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2020 £000	Total funds 2020 £000
Tangible fixed assets	985	985
Intangible fixed assets	835	835
Current assets	1,571	1,571
Creditors due within one year	(2,002)	(2,002)
Creditors due in more than one year	(1,540)	(1,540)
Total	(151)	(151)

Analysis of net assets between funds - prior period

	Unrestricted funds 2019 £000	Total funds 2019 £000
Tangible fixed assets	897	897
Intangible fixed assets	923	923
Current assets	1,425	1,425
Creditors due within one year	(2,152)	(2,152)
Creditors due in more than one year	(1,584)	(1,584)
Total	(491)	(491)

NIAB EMR

Notes to the Financial Statements For the Year Ended 31 March 2020

18. Operating lease commitments

At 31 March 2020 the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	2020	<i>2019</i>
	£000	<i>£000</i>
Not later than 1 year	383	<i>383</i>
Later than 1 year and not later than 5 years	275	<i>594</i>
	658	<i>977</i>

The following lease payments have been recognised as an expense in the Statement of financial activities:

	2020	<i>2019</i>
	£000	<i>£000</i>
Operating lease rentals		
Land and buildings	432	<i>433</i>
Motor vehicles	4	<i>4</i>
	436	<i>437</i>

19. Members' liability

The charitable company is incorporated as a company limited by guarantee having no share capital and, in accordance with the Memorandum of Association, every member is liable to contribute a sum of £1 in the event of the company being wound up. At 31 March 2020 there was 1 (2019: 1) member (being the parent charity NIAB). The member has full voting rights.

20. Related party transactions

The charitable company has taken advantage of the exemption conferred by Financial Reporting Standard 102 not to disclose any transactions with its parent undertaking and wholly owned subsidiary undertakings. No transactions have been undertaken with key management personnel during the period.

NIAB EMR has obtained a loan of £1,500,000 from National Institute of Agricultural Botany Trust, a related party of the Company's ultimate parent NIAB. This loan is secured by a first fixed and floating charge on the assets of NIAB EMR and, while there is no fixed repayment timetable, it is repayable within 10 years. Interest is charged at 2% above the Bank of England base rate, which is considered to be a market value. Interest payable in the year on this loan amounted to £41k (2019: £40k).

**Notes to the Financial Statements
For the Year Ended 31 March 2020**

21. Immediate and ultimate parent undertaking

The immediate and ultimate parent undertaking of this company is NIAB which is incorporated in England and is a registered charity. The consolidated accounts of NIAB are available from its registered office at 93 Lawrence Weaver Road, Cambridge CB3 0LE.