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**NIAB EMR**

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**Trustees' Report and Financial Statements**

**For the Year Ended 31 March 2021**

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## NIAB EMR

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## NIAB EMR

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

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|                                  |   |
|----------------------------------|---|
| <b>Trustees</b>                  | Dr N W Kerby MBE, Chair<br>Dr T L Barsby OBE<br>Prof M J Caccamo (appointed 1 October 2021)<br>Professor P J Gregory (resigned 8 December 2020)         |
| <b>Company registered number</b> | 09894859  |
| <b>Charity registered number</b> | 1165055   |
| <b>Registered office</b>         | 93 Lawrence Weaver Road<br>Cambridge<br>CB3 0LE   |
| <b>Company secretary</b>         | Dr J McKee  |
| <b>NIAB Chief executive</b>      | Dr T Barsby OBE (resigned 30 September 2021)<br>Prof M J Caccamo (appointed 1 October 2021)   |
| <b>Independent auditors</b>      | Crowe U.K. LLP<br>Statutory Auditors<br>55 Ludgate Hill<br>London<br>EC4M 7JW   |
| <b>Bankers</b>                   | Barclays Bank PLC<br>1 Churchill Place<br>Canary Wharf<br>London<br>E14 5HP   |
| <b>Solicitors</b>                | Birketts LLP<br>22 Station Road<br>Cambridge<br>CB1 2JD<br><br>Thomson Snell & Passmore LLP<br>3 Lonsdale Gardens<br>Tunbridge Wells<br>Kent<br>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.<br><br>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.<br><br>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   |
|---------------------------|--|--|
| <b>Covid-19</b>           | Business disruption from staff absence<br>Managing the return of staff to work | The Trustees continue to follow government guidelines and implement local rules regarding hygiene and social distancing<br><br>Risk assessments for utilisation of buildings and carrying out of activities and for return to work by employees<br><br>Continued support of remote working |
| <b>Strategy / Process</b> | 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.   |
| <b>Strategy / Process</b> | 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.   |
| <b>Financial</b>          | 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.

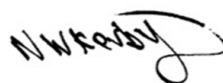
The Trustees confirm that:

- 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**

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**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)**

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**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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

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

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**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**

|                                    |      | Unrestricted<br>funds<br>2021<br>£000 | Restricted<br>funds<br>2021<br>£000 | Total<br>funds<br>2021<br>£000 | Total<br>funds<br>2020<br>£000 |
|------------------------------------|------|---------------------------------------|-------------------------------------|--------------------------------|--------------------------------|
|                                    | Note |                                       |                                     |                                |                                |
| <b>Income from:</b>                |      |                                       |                                     |                                |                                |
| 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>                   |
| <b>Total income</b>                |      |                                       |                                     |                                |                                |
| <b>Expenditure on:</b>             |      |                                       |                                     |                                |                                |
| 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>                   |
| <b>Total expenditure</b>           |      |                                       |                                     |                                |                                |
| <b>Net (expenditure)/income</b>    |      | (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>                     |
| <b>Net movement in funds</b>       |      |                                       |                                     |                                |                                |
| <b>Reconciliation of funds:</b>    |      |                                       |                                     |                                |                                |
| 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>                   |
| <b>Total funds carried forward</b> |      |                                       |                                     |                                |                                |

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

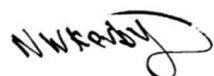
The notes on pages 13 to 29 form part of these financial statements.

**Balance Sheet**  
**As at 31 March 2021**

|   | Note | 2021<br>£000 | 2020<br>£000 |
|---|------|--------------|--------------|
| <b>Fixed assets</b>                                     |      |              |              |
| Intangible assets                                       | 11   | 980          | 835          |
| Tangible assets   | 12   | 2,825        | 985          |
|   |      | 3,805        | 1,820        |
| <b>Current assets</b>                                   |      |              |              |
| 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)      |
| <b>Net current liabilities</b>                          |      | (659)        | (431)        |
| <b>Total assets less current liabilities</b>            |      | 3,146        | 1,389        |
| Creditors: amounts falling due after more than one year | 16   | (1,500)      | (1,540)      |
| <b>Total net assets/(liabilities)</b>                   |      | 1,646        | (151)        |
| <b>Charity funds</b>                                    |      |              |              |
| Restricted funds  | 17   | -            | -            |
| Unrestricted funds                                      | 17   | 1,646        | (151)        |
| <b>Total funds</b>                                      |      | 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**

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**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**

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**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**

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**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**

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**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**

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**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.

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

**3. Income from charitable activities**

|                         | <b>Unrestricted<br/>funds<br/>2021<br/>£000</b> | <b>Restricted<br/>funds<br/>2021<br/>£000</b> | <b>Total<br/>funds<br/>2021<br/>£000</b> |
|-------------------------|---|---|--|
| Laboratory and Research | 4,722   | 2,278   | <b>7,000</b>                             |
| Other activities        | 184   | -   | <b>184</b>                               |
| <b>Total 2021</b>       | <b>4,906</b>                                    | <b>2,278</b>                                  | <b>7,184</b>                             |
|                         | <i>Unrestricted<br/>funds<br/>2020<br/>£000</i> | <i>Restricted<br/>funds<br/>2020<br/>£000</i> | <i>Total<br/>funds<br/>2020<br/>£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**

|                                   | <b>Unrestricted<br/>funds<br/>2021<br/>£000</b> | <b>Total<br/>funds<br/>2021<br/>£000</b> |
|-----------------------------------|---|--|
| Gift aid received from subsidiary | 118   | <b>118</b>                               |
|                                   | <i>Unrestricted<br/>funds<br/>2020<br/>£000</i> | <i>Total<br/>funds<br/>2020<br/>£000</i> |
| Gift aid received from subsidiary | 518   | 518                                      |

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

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## 5. Analysis of expenditure on charitable activities

## Summary by fund type

|                         | Unrestricted<br>funds<br>2021<br>£000 | Restricted<br>funds<br>2021<br>£000 | Total<br>funds<br>2021<br>£000 |
|-------------------------|---------------------------------------|-------------------------------------|--------------------------------|
| Laboratory and Research | 5,225                                 | 280                                 | 5,505                          |

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

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

**6. Analysis of expenditure by activities**

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

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

**Analysis of support costs**

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

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.

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

**7. Auditors' remuneration**

|   | <b>2021</b> | <b>2020</b> |
|---|-------------|-------------|
|   | <b>£000</b> | <b>£000</b> |
| Fees payable to the Charity's auditor and its associates for the audit of the Charity's annual accounts | <b>6</b>    | <b>6</b>    |

**8. Staff costs**

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

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

|                          | <b>2021</b> | <b>2020</b> |
|--------------------------|-------------|-------------|
|                          | <b>No.</b>  | <b>No.</b>  |
| Technical and scientific | <b>54</b>   | <b>55</b>   |
| Support staff            | <b>11</b>   | <b>15</b>   |
|                          | <b>65</b>   | <b>70</b>   |

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

|                               | <b>2021</b> | <b>2020</b> |
|-------------------------------|-------------|-------------|
|                               | <b>No.</b>  | <b>No.</b>  |
| In the band £60,001 - £70,000 | <b>1</b>    | <b>1</b>    |
| In the band £70,001 - £80,000 | <b>-</b>    | <b>1</b>    |

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.

**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**

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



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

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## 12. Tangible fixed assets

|                          | Agricultural<br>and motor<br>vehicles<br>£000 | Apparatus and<br>equipment<br>£000 | Assets under<br>construction<br>£000 | Total<br>£000 |
|--------------------------|---|------------------------------------|--------------------------------------|---------------|
| <b>Cost or valuation</b> |   |                                    |                                      |               |
| 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         |
| <b>Depreciation</b>      |   |                                    |                                      |               |
| At 1 April 2020          | 32  | 620                                | -                                    | 652           |
| Charge for the year      | 2   | 257                                | -                                    | 259           |
| At 31 March 2021         | 34  | 877                                | -                                    | 911           |
| <b>Net book value</b>    |   |                                    |                                      |               |
| At 31 March 2021         | 8   | 808                                | 2,009                                | 2,825         |
| At 31 March 2020         | 2   | 983                                | -                                    | 985           |

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**NIAB EMR**

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

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**13. Principal subsidiaries**

The following was a subsidiary undertaking of the Charity:

| <b>Name</b>                | <b>Company number</b> | <b>Principal activity</b> | <b>Class of shares</b> | <b>Holding</b> |
|----------------------------|-----------------------|---------------------------|------------------------|----------------|
| East Malling Services Ltd. | 02335037              | Horticulture              | ordinary               | 100%           |

The financial results of the subsidiary for the year were:

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

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**

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

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

**15. Creditors: Amounts falling due within one year**

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

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

|                 | <b>2021<br/>£000</b> | <i>2020<br/>£000</i> |
|-----------------|----------------------|----------------------|
| Loan            | <b>1,500</b>         | <i>1,500</i>         |
| Other creditors | <b>-</b>             | <i>40</i>            |
|                 | <b>1,500</b>         | <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).

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

**17. Statement of funds**

**Statement of funds - current year**

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

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**

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

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

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## 18. Analysis of net assets between funds

## Analysis of net assets between funds - current year

|                                     | Unrestricted<br>funds<br>2021<br>£000 | Total<br>funds<br>2021<br>£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)                        |
| <b>Total</b>                        | <b>1,646</b>                          | <b>1,646</b>                   |

## Analysis of net assets between funds - prior year

|                                     | Unrestricted<br>funds<br>2020<br>£000 | Total<br>funds<br>2020<br>£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)                        |
| <b>Total</b>                        | <b>(151)</b>                          | <b>(151)</b>                   |

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

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**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:

|  | <b>2021</b> | <i>2020</i> |
|--|-------------|-------------|
|  | <b>£000</b> | <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/>       |

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:

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

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**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.