
The Arable Group Limited
(A Company Limited by Guarantee)

Trustees' Report and Financial Statements
For the Year Ended 31 March 2024

The Arable Group Limited
(A Company Limited by Guarantee)

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The Arable Group Limited
(A Company Limited by Guarantee)

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

Trustees	J E Harrison, Chair J E Godfrey OBE Prof M J Caccamo
Company registered number	192460
Charity registered number	212059
Registered office	93 Lawrence Weaver Road Cambridge CB3 0LE
Company secretary	M Spraggins
Chief executive officer	Prof M J Caccamo
Independent auditors	Moore Kingston Smith LLP Statutory Auditor 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

TRUSTEES' REPORT INCORPORATING THE STRATEGIC REPORT

STRATEGIC REVIEW

Background

The Arable Group Limited (TAG) was incorporated in September 1923 as the Norfolk Agricultural Station. It became a member of the NIAB Group in September 2009, and the current activities focus on the potato crop following acquisition of the Cambridge University Farm Potato Agronomy Unit (CUF) in 2012.

As part of the NIAB Group, TAG continues to lead the way in developing a greater understanding of the potato crop and its cultivation. Access to NIAB's genetic research, agronomy and national trialing capabilities provides opportunities to address soil management, input use, varietal selection and new product development.

Mission and Vision

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

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

Strategy

The aim of TAG's scientific work is to conduct innovative applied science and research to support the production of horticultural and agricultural crops, delivering knowledge, products and services to UK and international growers, industries and public bodies through focus on translating science into practice.

Working with, and funded by industry, levy boards, charities, partner organizations and institutions, we are committed to

ensuring the benefits of high-quality research are transferred effectively into practical agriculture.

The research is largely field based and closely integrated with knowledge transfer. Information is disseminated through the publication of scientific papers, and provision of information via the NIAB Network and the Cambridge University Potato Growers Association (CUPGRA), as well as to the breeding and crop protection industries.

Public Benefit

The Arable Group Limited seeks to:

- advance science for public benefit, primarily by providing the mechanism to deliver the promise of crop science in addressing global and local challenges;
- conduct applied and translational research in genetics and agronomy;
- disseminate knowledge through the promotion of research and development work and the publication of the useful results thereof for the benefit of the industry and general public;
- provide training to students, and access to training for the wider industry;
- promote agriculture, horticulture and arboriculture anywhere in the world.

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

Performance

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

Objectives	Performance
<ul style="list-style-type: none"> Pursue new potato R&D projects funded commercially or through government administered schemes such as the Farming Innovation Programme 	We delivered new work on rotational resilience and soil health, alternative crop nutrient sources, nitrogen use efficiency, and biological fibre enhancement
<ul style="list-style-type: none"> Continue to strengthen collaborations across research and industry, working with CUPGRA, GB Potatoes and Universities/Institutes across the UK and internationally. 	We worked closely with partners to establish, promote and administer the cross-industry GB Potato Cyst Nematode forum. We collaborated with CUPGRA in the delivery of a programme of small R&D grants, including projects on PCN and wireworm.
<ul style="list-style-type: none"> Work with CUPGRA, industry groups, and other potato research organisations, to maintain access to knowledge, demonstrations and events for growers and their supply chains. 	We delivered field demonstration days and an annual research review meeting for CUPGRA members. Plus, the 34 th Annual CUPGRA Cambridge Potato Conference, open to all growers and their supply chains, and with broad research participation.

Objectives for 2024/25

The Arable Group Limited plans to address the following objectives for the year 2024/25

- Continue to pursue new potato R&D projects funded commercially or through the government's Farming Innovation Programme, including further nutrient management work and regenerative growing systems
- Further strengthen industry partnerships, working with CUPGRA and GB Potatoes, and extend national and international collaborations with Universities/Institutes across the UK.
- Work with CUPGRA, industry groups, and other research organisations, to maintain access to technical information, demonstrations and events for potato growers and their supply chains.

FINANCIAL REVIEW

Income

The total incoming resources for the period were £295k (2023: £314k). This income is derived from a mixture of research contracts, a support grant from NIAB as well as recharging costs to other group companies relating to contracts recognized by another group entity.

Fundraising

The Arable Group Limited does not undertake fundraising activities.

Expenditure

The outgoing expenditure totaled £311k (2023: £223k). The main operating costs relate to payroll, support services and premises costs. Staff costs in the year were £137k (2023:£182k). Included within expenditure is a total of £XXk support costs (2023: £46k). The Arable Group Limited is integrated within the wider NIAB Group structure, and support costs are recharged to the charity by NIAB.

Capital Expenditure

The charity funds capital purchases from unrestricted income. No purchases were made in the year (2023: nil).

Business Review and key performance indicators

The Arable Group Limited continue to review the most appropriate Key Performance Indicators by which the development, performance or position of the various elements of its operations can be effectively measured.

In working towards the charitable objectives of The Arable Group Limited, the following are considered among the Key Performance Indicators:

	2024	2023
Charitable Income	£311k	£314k
Staff Costs	£137k	£182k
Average Staff Numbers	4	4
Support Costs	£74k	£46k

The overall income is a measure of the charity’s ability to maintain a sustainable research facility. The staff costs and number of staff are also an important measure. To support the level of activities the directly employed staff have been supported by staff in other group companies. It is important that support costs are controlled tightly, to ensure the overall operating costs of the charity do not exceed the costs recoverable on the grants and contracts that have been awarded.

Subsidiaries and related parties

The Arable Group Limited is part of the NIAB Group of companies; NIAB (Charity No: 1064230) controlling The Arable Group Limited through its membership of the charity.

The results of The Arable Group Limited are consolidated into NIAB’s financial statements.

Reserves Policy

The Trustees have reviewed the reserves of the charitable company. The review encompasses the nature of the income and expenditure streams, the need to match variable income with fixed commitments, and the nature of the reserves.

The Trustees are also cognizant of the fact that the charity is a subsidiary of NIAB and therefore dependent on NIAB. The going concern section of this report outlines this dependency.

Given the current state of agriculture, the trustees concluded that to facilitate long-term planning they would aim to achieve a general reserve, equivalent to two months’ unrestricted fund expenditure or £49k.

At 31 March 2024 charity’s reserves excluding fixed assets stood at £3k (2023: £5k).

Accounting Period

The trustees present their report and the financial statements for the year ended 31 March 2024. The company's year-end (Accounting Reference Date) is 27 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 Trustees have reviewed the NIAB Group cash flows and management accounts supporting NIAB's activities for the period to 31 March 2026.

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 2026.
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 The Arable Group 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. In addition, the Arable Group Trustees, review and monitor any charity specific risks.

Principal Risks and Uncertainties relating to The Arable Group

Risk Area	Risk	Management
Customer / Stakeholder	Dependence on NIAB, the parent charity	The financial strategy of the charity is closely interlinked with that of the parent charity NIAB. The charity operates within the Agronomy business unit and forms part of the strategy of that unit. 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.
Financial Risks	USS Pension Scheme	The number of employees of the charity who are members of the scheme is currently 2. Participation in the scheme will be monitored. A valuation was produced on 31 March 2023 which showed the scheme to be in surplus on a technical provision basis and therefore the charity is not required to make deficit recovery contributions from 1 January 2024. Should the scheme return to deficit the charity will be required to make contributions This is a multi-employer scheme. In the context of the NIAB Group any cost will remain small but further support from the NIAB Group may be necessary.

STRUCTURE, GOVERNANCE and MANAGEMENT

Members

NIAB is the sole category A member of The Arable Group Limited. Category B members, who do not have voting rights, comprise the membership of the NIAB TAG Network.

Board of Trustees

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

J E Harrison - Chair

J E Godfrey OBE

Professor M J Caccamo

Recruitment, induction and training of Trustees

The Arable Group Limited 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 chief executive and executive team and receive updates on key areas of activity.

Organisation and governance

The Arable Group Limited is a Company limited by guarantee (registration number 192460) and was incorporated on 12 September 1923 as The Norfolk Agricultural Station. NIAB became the sole voting member in September 2009 when The Arable Group Limited became a subsidiary of NIAB.

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

The Arable Group Limited does not remunerate the Trustees.

Decision making and key management

The Board of Directors (Trustees) administer the company and meet regularly. A Chief Executive is appointed by the directors to manage the day-to-day operations of the company. To facilitate effective operations, the Chief Executive and Executive Team have delegated authority, within the terms of delegation approved by the Board, for all operational matters.

The key management personnel are appointed by NIAB's Chief Executive; they have authority and responsibility for planning, directing and controlling the activities of The Arable Group Limited. As The Arable Group Limited forms part of a larger group, it is managed on a group basis.

Employees

The average number of employees for the period was 4. 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 re-training.

Continuing education and training are regarded as vital for the continuance of the company's work and assistance to this end is provided to 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 REPORT AND FINANCIAL STATEMENTS

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally 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 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

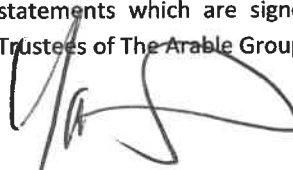
2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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 which are signed on behalf of the Board of Trustees of The Arable Group Limited.



J E Harrison

Date: 15 November 2024

The Arable Group Limited
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Opinion

We have audited the financial statements of The Arable Group Limited ('the company') for the year ended 31 March 2024 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 2024 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

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

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

We have nothing to report in this regard.

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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 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 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.

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.

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- 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.

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Use of our report

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

Moore Kingston Smith LLP

Andrew Stickland (Senior statutory auditor)

for and on behalf of

Moore Kingston Smith LLP

Statutory Auditor

9 Appold Street

London

EC2A 2AP

19 December 2024

The Arable Group Limited
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Statement of financial activities (incorporating income and expenditure account)
For the Year Ended 31 March 2024

		Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000	<i>Total funds 2023 £000</i>
	Note				
Income from:					
Support grants	3	150	-	150	120
Charitable activities	4	131	14	145	194
Total income		281	14	295	314
Expenditure on:					
Charitable activities	5	297	14	311	223
Total expenditure		297	14	311	223
Net movement in funds		(16)	-	(16)	91
Reconciliation of funds:					
Total funds brought forward		66	-	66	(25)
Total funds carried forward		50	-	50	66

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.

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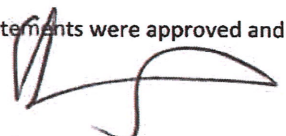
Balance Sheet
As at 31 March 2024

	Note	2024 £000	2023 £000
Fixed assets			
Tangible assets	11	47	61
		<u>47</u>	<u>61</u>
Current assets			
Debtors	12	1,693	1,478
Cash at bank and in hand		18	6
		<u>1,711</u>	<u>1,484</u>
Creditors: amounts falling due within one year	13	(1,708)	(1,437)
Net current assets		<u>3</u>	<u>47</u>
Total assets less current liabilities		<u>50</u>	<u>108</u>
Creditors: amounts falling due after more than one year	14	-	(42)
Total net assets		<u><u>50</u></u>	<u><u>66</u></u>
Charity funds			
Restricted funds	15	-	-
Unrestricted funds	15	50	66
Total funds		<u><u>50</u></u>	<u><u>66</u></u>

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

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

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


J E Harrison
(Chair of Trustees)
Date: 15 November 2024

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

The Arable Group Limited
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Notes to the Financial Statements
For the Year Ended 31 March 2024

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) – (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.

The Arable Group Limited 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 FRS 102 “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.

The Arable Group Limited 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 a particular purpose.

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

2. Accounting policies (continued)

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:

Income from charitable activities

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 when 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 is consistent with the use of the resource e.g. staff costs by time spent and other costs by their usage.

Governance costs

Governance costs comprise the costs of running the charity, including strategic planning for its future development, external audit, any legal advice for the Trustees, professional indemnity insurance for Trustees and officers, and all the costs of complying with constitutional and statutory requirements, such as the costs of Board and Committee meetings and of preparing statutory accounts and satisfying public accountability.

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.

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

2. Accounting policies (continued)

2.7 Tangible fixed assets and depreciation

All tangible fixed assets are stated at historical cost.

Depreciation is provided on fixed assets at rates sufficient to write off the costs of the assets less their estimated residual value over their expected useful lives using the straight-line method.

Depreciation is provided on the following basis:

Implements and machinery	-	10%
Motor vehicles	-	25%
Fixtures and fittings	-	15%
Computer equipment	-	33%

2.8 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.

2.9 Operating leases

Annual rentals paid under operating leases are charged to the Statement of Financial Activities on a straight line basis over the lease term.

2.10 Pensions

The Arable Group Limited participates in the Universities Superannuation Scheme, a defined benefit scheme which is externally funded and contracted out of the State Second Pension (S2P). The liabilities are valued every three years by a professionally qualified independent actuary using the projected unit method, the rates of contribution payable being determined by the trustee on the advice of the actuary. In the intervening years, the actuary reviews the progress of the scheme. Pension costs are assessed in accordance with the advice of the actuary, based on the latest actuarial valuation of the scheme.

The assets of the scheme are held in a separate trustee-administered fund. The charity is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis. Under FRS102 the charity has accounted for the present value of the recovery plan contributions payable as identified in the most recent funding agreement.

The Arable Group Limited also operates a money purchase scheme. For this, the pension costs charged in the financial statements represent the contributions payable by the company during the year.

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

2. Accounting policies (continued)

2.11 Foreign currencies

The Arable Group Limited does not hold any foreign currency accounts. Transactions in foreign currencies are recorded at the rate ruling at the date of transaction. All differences are taken to the Statement of Financial Activities.

The charity's functional and presentational currency is GBP.

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.

2.13 Debtors

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

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 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 2026

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 2026
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

The Arable Group Limited
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Notes to the Financial Statements
For the Year Ended 31 March 2024

2. Accounting policies (continued)

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.

2.16 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 11
- Income, which has been recognised in accordance with the work completed on contracts.
- Retirement benefits, the liability for which has been calculated in line with the accounting policy above. Note 17 contains details of the estimates made in this calculation.

3. Support grants

	Unrestricted funds 2024 £000	Total funds 2024 £000
Grant from parent company	150	150
	<hr/>	<hr/>
	<i>Unrestricted funds 2023 £000</i>	<i>Total funds 2023 £000</i>
Grants	120	120
	<hr/>	<hr/>

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

4. Income from charitable activities

Current year

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total funds 2024 £000
Research	131	14	145

The total income includes recharges made by The Arable Group Limited to NIAB and to NIAB Trading Ltd, where the crop agronomy and research is contracted to a different group company.

Prior year

	<i>Unrestricted funds 2023 £000</i>	<i>Restricted funds 2023 £000</i>	<i>Total funds 2023 £000</i>
Income from charitable activities - Research	162	32	194

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

5. Analysis of expenditure on charitable activities

Summary by fund type

Current year

	Unrestricted funds 2024 £000	Restricted funds 2024 £000	Total 2024 £000
Research	297	14	311

Prior year

	<i>Unrestricted funds 2023 £000</i>	<i>Restricted funds 2023 £000</i>	<i>Total 2023 £000</i>
Research	191	32	223

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

6. Analysis of expenditure by activities

Current year

	Activities undertaken directly 2024 £000	Support costs 2024 £000	Total funds 2024 £000
Research	237	74	311

Prior year

	<i>Activities undertaken directly 2023 £000</i>	<i>Support costs 2023 £000</i>	<i>Total funds 2023 £000</i>
Research	177	46	223

Analysis of support costs

	Total funds 2024 £000	Total funds 2023 £000
Management	8	5
Finance	22	14
Information Technology	2	1
Human Resources	2	1
Governance	40	25
	74	46

Support costs have been allocated to activity cost categories on a basis consistent with the use of resources.

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

7. Auditors' remuneration

	2024	<i>2023</i>
	£000	<i>£000</i>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<u>5</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.

8. Staff costs

	2024	<i>2023</i>
	£000	<i>£000</i>
Wages and salaries	151	<i>148</i>
Social security costs	9	<i>9</i>
Contribution to defined contribution pension schemes	4	<i>4</i>
Operating costs of defined benefit pension schemes	(27)	<i>21</i>
	<u>137</u>	<u><i>182</i></u>

Due to the change in the calculation of contributions payable to the USS (see note 17) the previous provision is not now needed and this has resulted in a write back to costs of £44k (2023: Nil). Total contributions made in 2024 were £17k (2023: £21k) on a like for like basis.

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

	2024	<i>2023</i>
	No.	<i>No.</i>
Technical and scientific	<u>4</u>	<u><i>4</i></u>

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

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 (2023 - £Nil and £Nil).

The Arable Group Limited
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Notes to the Financial Statements
For the Year Ended 31 March 2024

10. Taxation

The Arable Group Limited 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. Tangible fixed assets

	Implements and machinery £000	Motor vehicles £000	Total £000
Cost or valuation			
At 1 April 2023	114	19	133
Disposals	-	(1)	(1)
At 31 March 2024	114	18	132
Depreciation			
At 1 April 2023	55	17	72
Charge for the year	12	1	13
At 31 March 2024	67	18	85
Net book value			
At 31 March 2024	47	-	47
At 31 March 2023	59	2	61

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

12. Debtors

	2024	<i>2023</i>
	£000	<i>£000</i>
Due within one year		
Trade debtors	2	<i>1</i>
Amounts owed by group undertakings	1,508	<i>1,446</i>
Other debtors	1	<i>1</i>
Prepayments and accrued income	182	<i>30</i>
	<hr/> 1,693 <hr/>	<hr/> <i>1,478</i> <hr/>

The Arable Group Limited
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Notes to the Financial Statements
For the Year Ended 31 March 2024

13. Creditors: Amounts falling due within one year

	2024	<i>2023</i>
	£000	<i>£000</i>
Trade creditors	-	1
Amounts owed to group undertakings	1,681	1,417
Other taxation and social security	2	4
Other creditors	4	8
Accruals and deferred income	21	7
	1,708	1,437
	2024	<i>2023</i>
	£000	<i>£000</i>
Deferred income at 1 April 2023	-	114
Resources deferred during the year	13	-
Amounts released from previous periods	-	(114)
Deferred income at 31 March 2024	13	-

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

	2024	<i>2023</i>
	£000	<i>£000</i>
Other creditors	-	42

The Arable Group Limited
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Notes to the Financial Statements
For the Year Ended 31 March 2024

15. Statement of funds

Statement of funds - current year

	Balance at 1 April 2023 £000	Income £000	Expenditure £000	Balance at 31 March 2024 £000
Unrestricted funds				
General Funds - all funds	-	-	-	-
Unrestricted funds	66	281	(297)	50
	<u>66</u>	<u>281</u>	<u>(297)</u>	<u>50</u>
Restricted funds				
Restricted Grant income	-	14	(14)	-
	<u>-</u>	<u>14</u>	<u>(14)</u>	<u>-</u>
Total of funds	<u>66</u>	<u>295</u>	<u>(311)</u>	<u>50</u>

Statement of funds - prior year

	Balance at 1 April 2022 £000	Income £000	Expenditure £000	Balance at 31 March 2023 £000
Unrestricted funds				
Unrestricted funds	(25)	282	(191)	66
	<u>(25)</u>	<u>282</u>	<u>(191)</u>	<u>66</u>
Restricted funds				
Restricted Grant income	-	32	(32)	-
	<u>-</u>	<u>32</u>	<u>(32)</u>	<u>-</u>
Total of funds	<u>(25)</u>	<u>314</u>	<u>(223)</u>	<u>66</u>

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

16. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 2024 £000	Total funds 2024 £000
Tangible fixed assets	47	47
Current assets	1,711	1,711
Creditors due within one year	(1,708)	(1,708)
Total	<u>50</u>	<u>50</u>

Analysis of net assets between funds - prior period

	<i>Unrestricted funds 2023 £000</i>	<i>Total funds 2023 £000</i>
Tangible fixed assets	61	61
Current assets	1,484	1,484
Creditors due within one year	(1,437)	(1,437)
Creditors due in more than one year	(42)	(42)
Total	<u>66</u>	<u>66</u>

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

17. Pension commitments

Universities Superannuation Scheme (USS)

	2024 £'000	2023 £'000
The total (credit)/cost (released)/charged to the profit and loss account	(44)	-
Deficit recovery contributions due within one year for the charity	-	3
Deficit recovery contributions due in more than one year for the charity	-	42

Of The Arable Group Limited's 4 employees at 31 March 2024 (2023:4), 2 were members of USS (2023:2)

Since the The Arable Group Limited cannot identify its share of the assets and liabilities of the USS scheme, the following disclosures have been provided by the pension scheme to reflect those relevant for the scheme as a whole.

Following changes to the USS, the scheme now comprises two parts, USS Retirement Income Builder which is a defined benefit arrangement and USS Investment Builder which is a defined contribution arrangement. A formal actuarial valuation of the USS defined benefit liabilities had been carried out as at 31 March 2020 to meet the requirements of the Pensions Act 2004 and this was published in March 2022. The actuarial valuation showed a shortfall of £14.1bn in the USS with the scheme assets being sufficient to cover 83% of its 'technical provisions' liabilities. Based on this valuation the actuary determined that the Employers deficit contributions would be 6.2% of salary until 31 March 2024 and 6.3% thereafter.

The latest available complete actuarial valuation of the Retirement Income Builder is as at 31 March 2023 (the valuation date), which was carried out using the projected unit method. No deficit recovery plan was required under the 2023 valuation because the scheme was in surplus on a technical provisions basis. The charity was no longer required to make deficit recovery contributions from 1 January 2024 and accordingly released the outstanding provision to the profit and loss account

The 2023 valuation was the seventh valuation for the scheme under the scheme-specific funding regime introduced by the Pensions Act 2004, which requires schemes to have sufficient and appropriate assets to cover their technical provisions (the statutory funding objective). At the valuation date, the value of the assets of the scheme was £73.1 billion and the value of the scheme's technical provisions was £65.7 billion indicating a surplus of £7.4 billion and a funding ratio of 111%.

The key financial assumptions used in the 2023 valuation are described below.

CPI assumption:

Term dependent rates in line with the difference between the Fixed Interest and Index Linked yield curves less 1.0% p.a. to 2030, reducing linearly by 0.1% p.a. from 2030

Pension increases (subject to a floor of 0%):

Benefits with no cap: CPI assumption plus 3bps

Benefits subject to a "soft cap" of 5% (providing inflationary increases up to 5%, and half of any excess inflation over 5% up to a maximum of 10%): CPI assumption minus 3bps

Discount rate (forward rates):

Fixed interest gilt yield curve plus Pre-retirement 2.5% p.a. and Post retirement 0.9% p.a.

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

17. Pension commitments (continued)

The following assumptions were used to calculate the group's share of the USS liability:

	2024	2023
Discount rate	5.5%	5.5%
Projected salary inflation	3%	0%

Salary inflation assumptions take into account the level of annual pay increases set in the April before the relevant year-end, prevailing CPI rates, and the Bank of England long-term inflation target of 2%. The calculation reflects an assumption that there would be some reduction in member numbers in the forward years. The assumptions underpinning the calculation reflect a prudent assessment of the available information and options but represents a key area of estimation uncertainty in the financial statements.

The main demographic assumption used relates to the mortality assumptions. These assumptions are based on the analysis of the Scheme's experience carried out as part of the 2023 actuarial valuation. The mortality assumptions are based on the following mortality tables:

2018	Pre-retirement
Mortality base table	101% of S2PMA "light" for males and 95% of S3PFA for females
Future improvements to mortality	CMI 2021 with smoothing parameter of 7.5, an initial addition of 0.4% p.a., 10% w2020 and w2021 parameters and a long-term improvement rate of 1.8% for males and 1.6% for females.

The current life expectancies on retirement at age 65 are:

	2024	2023
Males currently aged 65 years	23.7	24.0
Females currently aged 65 years	25.6	25.6
Males currently aged 45 years	25.4	25.4
Females currently aged 45 years	27.2	27.4

Summary of the Scheme position as at 31 March is set out below:

	2024	2023	2022
Scheme assets	£74.8bn	£129.3bn	£124.4bn
Total scheme liabilities	£75.0bn	£82.9bn	£77.1bn
FRS102 Total scheme deficit	£0.2bn	£46.4bn	£47.3bn
FRS102 Total funding level	101%	111%	83%

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Notes to the Financial Statements
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18. 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 year (2023: None).

19. Members

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 25 pence in the event of the company being wound up. At 31 March 2024 there were 1 Category A and 3 Category B members. A Category A member has voting rights, the Category B members have the right to attend statutory meetings.

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.