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**Innovation for Agriculture**

Trustees' Report and Financial Statements

for the year ended 31 December 2019

**Innovation for Agriculture**  
**(A company limited by guarantee)**

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**Innovation for Agriculture**  
**(A company limited by guarantee)**

**Reference and Administrative Details of the Charity, its Trustees and Advisers**  
**for the year ended 31 December 2019**

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<b>Trustees</b>	P J Westaway, Chairman D R Galbraith A W Ward C W Tufnell (Royal Agricultural Society of England) R N F Drewett (The Royal Bath & West of England Society)
<b>Company registered number</b>	08811248
<b>Charity registered number</b>	1155563
<b>Registered office</b>	Stoneleigh Park Kenilworth Warwickshire CV8 2LZ
<b>Company secretary</b>	M Kaur (appointed 10 December 2019)
<b>Chief executive officer</b>	A Lazenby
<b>Independent auditor</b>	Dains LLP 15 Colmore Row Birmingham B3 2BH
<b>Bankers</b>	Barclays Bank Plc 1 Princes Street Ipswich Suffolk IP1 1PB
<b>Solicitors</b>	Wright Hassall LLP Olympus Avenue Leamington Spa Warwickshire CV34 6BF

**Innovation for Agriculture**  
**(A company limited by guarantee)**

**Chairman and Chief Executive's statement**  
**for the year ended 31 December 2019**

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The Chairman and Chief Executive present their statement for the year.

- 2019 was a significant year for IFA as the organisation reached it's largest number of projects to date, resulting in a successful year with a full team in place.
- Progressing on the strong foundations which were established during 2018, last year the organisation made notable and significant contribution to projects both in the UK and in the EU where IfA were key partners in 9 Horizon 2020 projects.
- A strong year financially has been delivered with an in year surplus of £48,751 and at year end and an improving carry forward reserve of £159,148.
- We have introduced a host of new systems in finance, marketing and communications and have seen significant benefits from these in to 2020. The implementation of the new IfA website and marketing strategy saw website traffic increase three-fold.

**Update on Covid-19 in 2020**

As we write this in Early September 2020 we are emerging from the greatest humanitarian and financial crisis of our lifetime. More concerningly we may only just be coming to terms with the challenge which the Covid-19 pandemic presents. IfA had intended to see further growth in 2020 and had budgeted accordingly.

The UK and European lockdown have both effected the organization but in differing ways

In the UK virtually all work stopped and was placed on hold in mid March.

All EU projects, somewhat paradoxically, continued right through the lockdown and workloads and schedules have been largely unaffected.

We took the decision to furlough the majority of staff from April 1st and have utilized the scheme for the majority of its running. We have brought certain key members of staff back part time at key dates.

It is important to recognize the efforts and sacrifices made by the few staff who did not go on furlough as we have operated on 40% or less of our usual capacity. Without the hard work of our non furloughed staff we would not have come through this as well as we have so far.

Equally it is important that we also recognize the hard times that those staff who have been furloughed have faced.

In short, 2020 has been a significantly testing year for many people, but as the Chairman and CEO we are very proud of all the staff and how they have conducted themselves through these unprecedented times.

Having formed a strong team of staff based on skill and ability rather than location, our team were already well equipped with the necessary tools and software to allow us to move fully to remote working within 24 hours. As a result, unlike many organisations who have struggled to adjust to this change, we have had no major problems with IT or security of systems, allowing us to continue working at usual capacity.

**2020 and beyond**

The future is less certain and less assured than it has been for many years, we have seen significant changes in a number of our commercial clients and have received notices of reduction in funding from some of our charity donors. Brexit is still looming large with no real clarity on the likelihood of a no deal exit; or indeed on what such a departure would mean.

We are beginning to see the green shoots of recovery and opportunity which always follows a crisis and are well placed to make the most of these in the newly emerging world in which we will operate in the future.

**Innovation for Agriculture**  
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**Chairman and Chief Executive's statement (continued)**  
**for the year ended 31 December 2019**

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However, it will be wise to be prudent for the remainder of this year and beyond into 2021. To this end we are reviewing all of our costs and will make whatever cost savings are necessary once we have a clearer picture of what the longer-term impact of Brexit and Covid-19 will be.

We will continue to serve Agricultural innovators and will continue to pivot our own operations to best support the emerging opportunities into 2021.

**P Westaway**  
Chairman

**Andrew Lazenby**  
Chief Executive

23 September 2020

**Innovation for Agriculture**  
**(A company limited by guarantee)**

**Trustees' report**  
**for the year ended 31 December 2019**

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The Trustees present their annual report together with the audited financial statements of the Innovation for Agriculture for the year 1 January 2019 to 31 December 2019. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the annual report and financial statements of the charitable company comply with the current statutory requirements, the requirements of the charitable company's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2015) as amended by Update Bulletin 1 (effective January 2015).

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

**Objectives and activities**

**a. Policies and objectives**

The Trustees have referred to the guidance contained in the Charity Commission's general guidance on public benefit when reviewing their aims and objectives and in planning their future activities. In particular, the Trustees consider how planned activities will contribute to the aims and objectives they have set.

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

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

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

**b. Strategies for achieving objectives**

The Charity was founded in December 2013 and at the end of its sixth full year of operation is becoming established both as an entity and within the market landscape. 2019 was another year of successful growth. During 2019 the Charity continued to deliver its Soil & Water and Precision Livestock programmes and successfully attracted funding to establish a new work stream on Antibiotic reduction, which will facilitate expansion during 2020. In the medium term the objective is to continue to raise funding to facilitate the creation of new areas of activity.

As an environmental background to this growth, as we enter 2020, we face more uncertainty than ever before in both European Union funding and in UK Government Policy. Whilst we are in growth and continuing to develop all of our work programmes it is crucial that we are mindful of tougher times ahead and that we continue to manage the cost side of the organisation prudently.

**Innovation for Agriculture**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**for the year ended 31 December 2019**

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**Objectives and activities (continued)**

**c. Activities undertaken to achieve objectives**

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

It is the Charity's intention that it will continue to develop and enhance its network of agricultural societies around England to improve the communication between the technical research institutions and farmers relating to agricultural and horticultural issues. During 2016 Cheshire Agricultural Society joined Innovation for Agriculture's network to bring the total number of societies participating in the initiative to 16. During 2019 no societies joined or left.

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

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

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

**Achievements and performance**

**a. Review of activities**

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

**Financial review**

**a. Going concern**

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

**b. Reserves policy**

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

At 31 December 2019 the total free reserves amounted to £159,148 (2018 - £99,950) which are expected to produce negligible income.

**c. Material investments policy**

IfA held no investments at 31 December 2019.

**Innovation for Agriculture**  
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**Trustees' report (continued)**  
**for the year ended 31 December 2019**

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**Financial review (continued)**

**d. Principal funding**

Funding is generated from other charities, the European Horizon 2020 Science Programme and a growing number of commercial customers.

**Structure, governance and management**

**a. Constitution**

Innovation for Agriculture ("IfA" or the "Charity") is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 11 December 2013. Under Section 60 of the Companies Act 2006 it is exempt from the requirement to use the word "limited" after its name. It is registered as a charity with the Charity Commission. Subject to the approval of the Trustees, membership is open to all and at 31 December 2019 there were five members (2018: six members), each of whom has agreed to contribute £10 in the event of the Charity winding up. We hope to increase this number during 2020.

**b. Methods of appointment or election of Trustees**

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

**c. Organisational structure and decision-making policies**

The Charity has a very flat management structure with a Chief Executive reporting to the Chairman and ten other employees.

**d. Policies adopted for the induction and training of Trustees**

The Trustees appointed to date are all experienced directors and have needed no additional training. It is intended that the Trustees will be briefed on changes to the legal and compliance environment on at least an annual basis.

**e. Pay policy for key management personnel**

The Charity has entered into an agreement to pay the Chairman a fee of £900 per month plus reasonable travel expenses for his services assisting with the raising of funds on behalf of the Charity. No other Trustees receive any remuneration.

**f. Related party relationships**

The Charity has no subsidiaries or associated companies.

The Chief Executive of the Charity is also the Chief Executive of the Royal Agricultural Society of England – a member of the Charity. The Chairman of RASE is also a Board Member of the Charity.



**Innovation for Agriculture**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**for the year ended 31 December 2019**

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**Structure, governance and management (continued)**

**g. Risk management**

The Trustees have assessed the major risks to which the Charity is exposed, in particular those related to the operations and finances of the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

**h. Trustees' indemnities**

The Charity has purchased Professional Indemnity Insurance which protects the Charity from loss arising from the neglect or default of its Trustees and employees. The Charity also holds Directors & Officers insurance to cover the cost of compensation for alleged wrongful acts.

**Plans for future periods**

The Charity will, as funding allows, continue to develop its resources to build an extension service to improve the communication between the technical research institutions and farmers relating to agricultural and horticultural issues.

**Members' liability**

The Members of the Charity guarantee to contribute an amount not exceeding £10 to the assets of the Charity in the event of winding up.

**Statement of Trustees' responsibilities**

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

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

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

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

**Innovation for Agriculture**  
**(A company limited by guarantee)**

**Trustees' report (continued)**  
**for the year ended 31 December 2019**

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**Disclosure of information to auditor**

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

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

**Auditor**

The auditor, Dains LLP, has indicated their willingness to continue in office. The designated Trustees will propose a motion reappointing the auditor at a meeting of the Trustees.

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

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**P J Westaway**  
Chairman

**Innovation for Agriculture**  
**(A company limited by guarantee)**

**Independent Auditor's Report to the Members of Innovation for Agriculture**

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**Opinion**

We have audited the financial statements of Innovation for Agriculture (the 'charity') for the year ended 31 December 2019 which comprise the Statement of Financial Activities, the balance sheet, the statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 December 2019 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 United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Conclusions relating to going concern**

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

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

**Innovation for Agriculture**  
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**Independent Auditor's Report to the Members of Innovation for Agriculture (continued)**

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**Other information**

The Trustees are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our 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.

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

We have nothing to report in this regard.

**Opinion on other matters prescribed by the Companies Act 2006**

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

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

**Matters on which we are required to report by exception**

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

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

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

**Innovation for Agriculture**  
**(A company limited by guarantee)**

**Independent Auditor's Report to the Members of Innovation for Agriculture (continued)**

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**Responsibilities of trustees**

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

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

**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.

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.

**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 its members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Andrew Morris FCA (Senior statutory auditor)**

for and on behalf of  
**Dains LLP**

Statutory Auditor  
Chartered Accountants

Birmingham

Date:

**Innovation for Agriculture**  
**(A company limited by guarantee)**

**Statement of financial activities (incorporating income and expenditure account)**  
**for the year ended 31 December 2019**

	Note	Unrestricted funds 2019 £	Restricted funds 2019 £	Total funds 2019 £	Total funds 2018 £
<b>Income from:</b>					
Donations and grants	3	286,260	452,685	738,945	546,128
Charitable activities	4	94,804	-	94,804	105,651
<b>Total income</b>		<b>381,064</b>	<b>452,685</b>	<b>833,749</b>	<b>651,779</b>
<b>Expenditure on:</b>					
Raising funds	5	44,954	-	44,954	51,898
Charitable activities		287,359	452,685	740,044	569,452
<b>Total expenditure</b>		<b>332,313</b>	<b>452,685</b>	<b>784,998</b>	<b>621,350</b>
<b>Net movement in funds</b>		<b>48,751</b>	<b>-</b>	<b>48,751</b>	<b>30,429</b>
<b>Reconciliation of funds:</b>					
Total funds brought forward		110,397	-	110,397	79,968
Net movement in funds		48,751	-	48,751	30,429
<b>Total funds carried forward</b>		<b>159,148</b>	<b>-</b>	<b>159,148</b>	<b>110,397</b>

The notes on pages 15 to 29 form part of these financial statements.

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

**Balance sheet**  
**for the year ended 31 December 2019**

	Note	2019 £	2018 £
<b>Fixed assets</b>			
Tangible assets	10	<b>6,017</b>	10,447
<b>Current assets</b>			
Debtors	11	<b>152,271</b>	214,512
Cash at bank and in hand		<b>607,068</b>	614,296
		<u><b>759,339</b></u>	<u>828,808</u>
Creditors: amounts falling due within one year	12	<b>(606,208)</b>	(728,858)
<b>Net current assets</b>		<b>153,131</b>	99,950
<b>Total net assets</b>		<u><b>159,148</b></u>	<u>110,397</u>
<b>Charity funds</b>			
Unrestricted funds	13	<b>159,148</b>	110,397
<b>Total funds</b>		<u><b>159,148</b></u>	<u>110,397</u>

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

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

\_\_\_\_\_  
**P J Westaway**  
 Chairman

The notes on pages 15 to 29 form part of these financial statements.

**Innovation for Agriculture**  
**(A company limited by guarantee)**

**Statement of cash flows**  
**for the year ended 31 December 2019**

	2019 £	2018 £
<b>Cash flows from operating activities</b>		
Net cash used in operating activities	(7,228)	463,140
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	-	(12,561)
<b>Net cash used in investing activities</b>	-	(12,561)
<b>Cash flows from financing activities</b>		
<b>Change in cash and cash equivalents in the year</b>	<b>(7,228)</b>	<b>450,579</b>
Cash and cash equivalents at the beginning of the year	614,296	163,717
<b>Cash and cash equivalents at the end of the year</b>	<b>607,068</b>	614,296

The notes on pages 15 to 29 form part of these financial statements



**Innovation for Agriculture**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 December 2019**

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**1. General information**

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

**2. Accounting policies**

**2.1 Basis of preparation of financial statements**

The financial statements have been prepared in accordance with the Charities SORP (FRS 102) - Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

Innovation for Agriculture meets the definition of a public benefit entity under FRS 102. Assets and liabilities are initially recognised at historical cost or transaction value unless otherwise stated in the relevant accounting policy.

**2.2 Going concern**

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

**2.3 Income**

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

Donated services or facilities are recognised when the Charity has control over the item, any conditions associated with the donated item have been met, the receipt of economic benefit from the use of the Charity of the item is probable and that economic benefit can be measured reliably. In accordance with the Charities SORP (FRS 102), the general volunteer time of the Friends is not recognised and refer to the Trustees' Report for more information about their contribution.

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

Other income is recognised in the period in which it is receivable and to the extent the goods have been provided or on completion of the service.

**Innovation for Agriculture**  
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**Notes to the financial statements**  
**for the year ended 31 December 2019**

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**2. Accounting policies (continued)**

**2.4 Expenditure**

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

**2.5 Tangible fixed assets and depreciation**

All assets costing more than £500 are capitalised.

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying value of any fixed asset may not be recoverable. Shortfalls between the carrying value of fixed assets and their recoverable amounts are recognised as impairments. Impairment losses are recognised in the Statement of Financial Activities incorporating Income and Expenditure Account.

Tangible fixed assets are carried at cost, net of depreciation and any provision for impairment. Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

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

**2.6 Debtors**

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

**2.7 Cash at bank and in hand**

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

**2.8 Liabilities and provisions**

Liabilities are recognised when there is an obligation at the Balance Sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably. Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide. Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised within interest payable and similar charges.

**Innovation for Agriculture**  
**(A company limited by guarantee)**

**Notes to the financial statements**  
**for the year ended 31 December 2019**

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**2. Accounting policies (continued)**

**2.9 Financial instruments**

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

**2.10 Pensions**

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

**2.11 Fund accounting**

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

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

**2.12 Critical accounting estimates and areas of judgment**

Tangible fixed assets are depreciated over their useful lives taking into account residual values where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing the asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual values consider such things as future market conditions, the remaining life of the asset and projected disposal values.

**3. Income from donations and legacies**

	<b>Unrestricted funds 2019 £</b>	<b>Restricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Donations	267,927	-	<b>267,927</b>
Grants	18,333	452,685	<b>471,018</b>
	<u>286,260</u>	<u>452,685</u>	<u><b>738,945</b></u>

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**3. Income from donations and legacies (continued)**

	<b>Unrestricted funds 2018 £</b>	<b>Restricted funds 2018 £</b>	<b>Total funds 2018 £</b>
Donations	100,275	-	100,275
Grants	85,000	360,853	445,853
	<u>185,275</u>	<u>360,853</u>	<u>546,128</u>

**4. Income from charitable activities**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Event income	94,804	<b>94,804</b>
	<u>94,804</u>	<u>94,804</u>

	<b>Unrestricted funds 2018 £</b>	<b>Total funds 2018 £</b>
Event income	105,651	105,651
	<u>105,651</u>	<u>105,651</u>

**5. Expenditure on raising funds**

	<b>Unrestricted funds 2019 £</b>	<b>Total funds 2019 £</b>
Professional fees	34,154	<b>34,154</b>
Consultancy	10,800	<b>10,800</b>
	<u>44,954</u>	<u>44,954</u>

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**5. Expenditure on raising funds (continued)**  
**(continued)**

	<b>Unrestricted funds 2018 £</b>	<b>Total funds 2018 £</b>
Professional fees	40,108	40,108
Advertising & marketing	990	990
Consultancy	10,800	10,800
	<u>51,898</u>	<u>51,898</u>

**6. Analysis of expenditure by activities**

	<b>Activities undertaken directly 2019 £</b>	<b>Support costs 2019 £</b>	<b>Total funds 2019 £</b>
Charitable activities	<u>624,319</u>	<u>115,725</u>	<u>740,044</u>

	<b>Activities undertaken directly 2018 £</b>	<b>Support costs 2018 £</b>	<b>Total funds 2018 £</b>
Charitable activities	<u>491,907</u>	<u>77,546</u>	<u>569,453</u>

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**6. Analysis of expenditure by activities (continued)**

**Analysis of direct costs**

	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Staff costs	<b>398,515</b>	361,012
Professional fees	<b>33,736</b>	20,972
Event costs	<b>167,167</b>	91,332
Consultancy	<b>24,901</b>	18,591
	<b>624,319</b>	491,907

**Analysis of support costs**

	<b>Total funds 2019 £</b>	<b>Total funds 2018 £</b>
Depreciation	<b>4,430</b>	2,114
Travel & subsistence	<b>56,732</b>	39,715
HR costs	<b>4,484</b>	3,575
Bank charges	<b>1,098</b>	1,291
Advertising and marketing	<b>2,764</b>	8,305
Telephone	<b>6,454</b>	4,441
Insurance	<b>4,680</b>	4,420
IT contracts	<b>4,991</b>	5,332
Printing, stationery and postage	<b>78</b>	318
Subscription	<b>3,706</b>	2,040
Rent	<b>18,000</b>	-
Foreign exchange difference	<b>(1,142)</b>	-
Governance costs	<b>9,450</b>	5,995
	<b>115,725</b>	77,546

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**7. Auditor's remuneration**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	<b>4,400</b>	4,250

**8. Staff costs**

	<b>2019</b>	<b>2018</b>
	<b>£</b>	<b>£</b>
Wages and salaries	<b>356,490</b>	321,190
Social security costs	<b>33,251</b>	30,946
Other pension costs	<b>8,774</b>	8,876
	<b>398,515</b>	361,012

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

	<b>2019</b>	<b>2018</b>
	<b>No.</b>	<b>No.</b>
Staff	<b>13</b>	11

The average headcount expressed as full-time equivalents was:

	<b>2019</b>	<b>2018</b>
	<b>No.</b>	<b>No.</b>
Staff	<b>8.8</b>	6.8

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

	<b>2019</b>	<b>2018</b>
	<b>No.</b>	<b>No.</b>
In the band £60,001 - £70,000	-	1
In the band £80,001 - £90,000	<b>1</b>	-

Key management personnel are deemed to be those having authority and responsibility delegated to them by the Charity for planning, directing and controlling the activities of the Charity. During 2019 the total amounts paid to key management personnel was £103,193 (2018 - £85,651).

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**9. Trustees' remuneration and expenses**

During the year, no Trustees received any remuneration or other benefits (2018 - £NIL).

During the year ended 31 December 2019, expenses totalling £NIL were reimbursed or paid directly to Trustee (2018 - £625 to 2 Trustees) for travel and subsistence.

During the year the Chairman of the Trustees provided his service to the charity via a service contract to facilitate fund-raising efforts. During the year the Chairman was paid £10,800 (2018: £10,800).

**10. Tangible fixed assets**

	Fixtures and fittings £	Computer equipment £	Total £
<b>Cost</b>			
At 1 January 2019	1,330	11,231	12,561
At 31 December 2019	<u>1,330</u>	<u>11,231</u>	<u>12,561</u>
<b>Depreciation</b>			
At 1 January 2019	369	1,745	2,114
Charge for the year	443	3,987	4,430
At 31 December 2019	<u>812</u>	<u>5,732</u>	<u>6,544</u>
<b>Net book value</b>			
At 31 December 2019	<u>518</u>	<u>5,499</u>	<u>6,017</u>
At 31 December 2018	<u>961</u>	<u>9,486</u>	<u>10,447</u>

**11. Debtors**

	2019 £	2018 £
<b>Due within one year</b>		
Trade debtors	28,697	3,344
Other debtors	2,436	427
Prepayments and accrued income	121,138	210,741
	<u>152,271</u>	<u>214,512</u>



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

	<b>2019</b>	<b>2018</b>
	£	£
Trade creditors	<b>6,045</b>	8,727
Other taxation and social security	<b>9,331</b>	8,526
Other creditors	<b>390,829</b>	389,917
Accruals and deferred income	<b>200,003</b>	321,688
	<u><b>606,208</b></u>	<u>728,858</u>
	<b>2019</b>	<b>2018</b>
	£	£
Deferred income at 1 January 2019	<b>287,502</b>	46,946
Resources deferred during the year	<b>53,997</b>	282,502
Amounts released from previous periods	<b>(146,805)</b>	(41,946)
	<u><b>194,694</b></u>	<u>287,502</u>

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13. Statement of funds

Statement of funds - current year

	Balance at 1 January 2019 £	Income £	Expenditure £	Balance at 31 December 2019 £
<b>Unrestricted funds</b>				
General Funds	110,397	362,731	(313,980)	159,148
Esmee Fairbairn	-	18,333	(18,333)	-
	<u>110,397</u>	<u>381,064</u>	<u>(332,313)</u>	<u>159,148</u>
<b>Restricted funds</b>				
H2020 - 4D4F	-	11,993	(11,993)	-
H2020 - Agrocycle	-	33,219	(33,219)	-
H2020 - IWMPRAISE	-	2,028	(2,028)	-
H2020-Nefertiti	-	92,770	(92,770)	-
H2020-DISARM	-	66,965	(66,965)	-
H2020-Euraknos	-	45,901	(45,901)	-
H2020-FAIRshare	-	7,528	(7,528)	-
H2020-RUCAPS	-	558	(558)	-
H2020-SmartAgriHubs	-	17,552	(17,552)	-
Linbury	-	48,168	(48,168)	-
Cadogan	-	86,003	(86,003)	-
Ashden	-	40,000	(40,000)	-
	<u>-</u>	<u>452,685</u>	<u>(452,685)</u>	<u>-</u>
<b>Total of funds</b>	<u><u>110,397</u></u>	<u><u>833,749</u></u>	<u><u>(784,998)</u></u>	<u><u>159,148</u></u>

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13. Statement of funds (continued)

Statement of funds - prior year

	Balance at 1 January 2018 £	Income £	Expenditure £	Balance at 31 December 2018 £
<b>Unrestricted funds</b>				
General Funds	79,968	205,926	(175,497)	110,397
Esmee Fairbairn	-	85,000	(85,000)	-
	<u>79,968</u>	<u>290,926</u>	<u>(260,497)</u>	<u>110,397</u>
<b>Restricted funds</b>				
H2020 - 4D4F	-	176,202	(176,202)	-
H2020 - Agrocycle	-	71,324	(71,324)	-
H2020 - IWM PRAISE	-	495	(495)	-
Linbury	-	11,832	(11,832)	-
Ernest Cook	-	12,000	(12,000)	-
Cadogan	-	89,000	(89,000)	-
	<u>-</u>	<u>360,853</u>	<u>(360,853)</u>	<u>-</u>
<b>Total of funds</b>	<u><u>79,968</u></u>	<u><u>651,779</u></u>	<u><u>(621,350)</u></u>	<u><u>110,397</u></u>

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**H2020 – 4D4F**

The Data Driven Dairy Decisions for Farmers (4D4F) thematic network focuses on the role which dairy animal and environmental sensors play in collecting real time information to make informed decisions in dairy farming. The network will develop a Community of Practice comprised of farmers, farm advisors, technology suppliers, knowledge exchange professionals and researchers who work together to debate, collect and communicate best practice drawn from innovative farmers, industry and the research community and facilitate the creation of best practice. The results will be communicated to farmers using best practice guides on the use of sensors and data analysis tools supported by videos, infographics and an online virtual warehouse of dairy sensor technologies.

**H2020 – Agrocycle**

AgroCycle focuses on converting low value agricultural waste into highly valuable products, achieving a 10% increase in waste recycling and valorisation by 2020. This will be achieved by developing a detailed and holistic understanding of the waste streams and piloting a key number of waste utilisation/valorisation pathways. The AgroCycle consortium is a large (25) multi-national group (including China) comprising the necessary and relevant multi-actors (i.e. researchers; companies in the technical, manufacturing, advisory, retail sectors (Large and SMEs); lead users; end users; and trade/producer associations) for achieving the project's ambitions goals.

**H2020 – IWM PRAISE**

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

**H2020 – Nefertiti**

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

**H2020 - DISARM**

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

**H2020 - Euraknos**

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

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**H2020 - FAIRshare: (Digital Tools for Farm Advisors)**

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

**H2020 - RUCAPS**

16 participants, 5 countries including Chile and Argentina. To enhance and implement knowledge based ict solutions within high risk and uncertain conditions for agricultural production systems. IfA play a practical role in this project, helping to identify the current challenges and conditions in agriculture, which may in the future, require ict solutions. These include environmental uncertainty and considers inputs, packaging and other post -harvest considerations.

IfA have hosted visits to the UK by other partners and have participated in exchange visits to see crop production in Italy. Knowledge share and peer to peer learning are a vital part of this consortium.

**H2020 - SmartAgriHubs**

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

**Esmee Fairbairn Foundation**

To support core costs in maintaining and building IfA's reach and impact on the farming community through implementation of the business plan. Also to aid Farmers in reducing their use of antibiotics and use antibiotics more effectively, influenced by the development and delivery of a new work stream on antibiotic reduction within the Precision Livestock Farming programme.

**Cadogan**

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

**Linbury**

A three year grant towards the enhancement of IfA's communications capability. To address the antibiotics issue successfully and permanently, IfA needs to reach the entire livestock farming spectrum.

**Ashden**

The main deliverables for this project:

Growing season 2018/19: We have now conducted a full base line survey to gain farmer views on current issues within agriculture.

We have compiled these results and have concluded in depth interviews with 40 farmers to capture current techniques associated with improving soil health. These include the circumstances around which practices work and feedback on failures, these will be with regard to spring crops, no-till drills, use of

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cover crops, re-introduction of livestock onto farms etc.

Growing season 2019/20: We re-interviewed 40 farmers and captured lessons from 2nd growing season. Delivered KE at 10 farmers workshops based on this information.

Growing Season 2020/21: Covid-19 has delayed the final stage of a further round of interviews and the workshops which will enable the dissemination of survey results to a wider farming audience. We will be resuming this work once we can safely commence our on -farm visits and workshops.

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

	2019 £	2018 £
Net income for the year (as per Statement of Financial Activities)	48,751	30,429
<b>Adjustments for:</b>		
Depreciation charges	4,430	2,114
Decrease/(increase) in debtors	62,241	(172,229)
(Decrease)/increase in creditors	(122,650)	602,826
<b>Net cash provided by/(used in) operating activities</b>	<b>(7,228)</b>	463,140

**15. Analysis of cash and cash equivalents**

	2019 £	2018 £
Cash in hand	224,517	230,153
Cash held for grants	382,551	384,143
<b>Total cash and cash equivalents</b>	<b>607,068</b>	614,296

**16. Analysis of changes in net debt**

	At 1 January 2019 £	Cash flows £	At 31 December 2019 £
Cash at bank and in hand	614,296	(7,228)	607,068
	<b>614,296</b>	<b>(7,228)</b>	<b>607,068</b>

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**17. Pension commitments**

The Charity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Charity in an independently administered fund. The pension cost charge represents contributions payable by the Charity to the fund and amounted to £8,774 (2018 - £8,876). Contributions totalling £1,347 (2018 - £1,392) were payable to the fund at the balance sheet date and are included in creditors.

**18. Members' liability**

Each member of the charitable company undertakes to contribute to the assets of the company in the event of it being wound up while he/she is a member, or within one year after he/she ceases to be a member, such amount as may be required, not exceeding £10 for the debts and liabilities contracted before he/she ceases to be a member.

**19. Related party transactions**

The Charity is controlled by the Directors (the Trustees), whose names are shown on page 1. The Charity has paid £537 (2018 - £672) for Professional Indemnity Insurance. This cover protects the Charity from losses arising from the neglect or default of Trustees and seconded employees. It also indemnifies the Trustees or other officials against the consequences of any neglect or default on their part.

During the year the Charity was recharged £109,691 (2018 - £39,795) from the Royal Agricultural Society of England, a related party due to it being a member of the Charity, for office running costs.

During the year the Charity recharged £3,583 (2018 - £14,103) to the Royal Agricultural Society of England for Secondment of staff at cost.

At the year end £6,918 (2018 - £4,369) was due to the Royal Agricultural Society of England.