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THE INSTITUTE OF GROCERY DISTRIBUTION

**Annual Report and Accounts
For the year ended 31st December 2022**

Registered Number 00105680

Charity Number 309939

The Institute of Grocery Distribution

Report and Accounts

For the year ended 31st December 2022

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The Institute of Grocery Distribution

Trustees' Report (including the Strategic Report)

For the year ended 31st December 2022

The trustees present their report (including the Strategic Report) together with the financial statements for the year ended 31st December 2022. The trustees have adopted the provisions of the Statement of Recommended Practice for Accounting and Reporting by Charities (Charities SORP (FRS 102) (Second edition – October 2019)). The report and the financial statements also comply with the requirements of the Companies Act 2006.

Objectives and activities

As a charity, we exist to upskill people working in or looking to join the food and consumer goods industry. We also manage initiatives driven by research and best practice relating to economics, science and technology in the food industry. Our charitable work is funded by the profits from our trading subsidiary, IGD Services Limited, together with its two overseas based trading subsidiaries. The three companies provide research and insight based commercial services to the food and consumer goods industry.

We enable companies across the food and consumer goods industry to work together collaboratively across four key areas of focus: Economics, People, Health and Sustainability.

We seek to increase the public benefit we deliver every year by making a bigger impact on a larger number of people and companies and we measure performance via pre-set targets (KPIs) which are summarised in a charitable matrix. The targets are derived from our annual business plan and are agreed with the Trustees. Due to nature of our programmes the KPIs change every year, but the overarching objective is to increase the level of public benefit which we deliver. Threshold, budget and stretch targets are set for each objective and in aggregate we achieved just over budget for the year. Specifics for each area, including the focus for 2023, are detailed below.

Our 2022 charitable achievements

Summary

It's been a turbulent 12 months for the food and consumer goods industry. From the ongoing impact of COVID-19 to the repercussions of the war in Ukraine and soaring food price inflation, our industry has rarely been out of the headlines. Keeping the supply chain moving in the face of these challenges has been an enormous task; yet despite all this, our industry has continued to help us drive change and make a tangible difference to society, business and the individual.

At IGD, we unite and inspire the food and consumer goods industry, to mobilise it as a force for good. We use our unique ability to convene stakeholders across the whole food and consumer goods supply chain, to influence change across four key areas: Economics, People, Health and Sustainability. We are immensely proud of our achievements over the last 12 months and are delighted to share some of our highlights below.

None of our work would be possible without the expertise and support of our industry advisory groups, networks, project groups, volunteers and of course, the team at IGD, who are passionate about making a tangible difference. The funding for our social impact work is derived from IGD's trading subsidiaries, and we are genuinely grateful to businesses for their fantastic support and investment in our commercial insight and expertise, which enable us to deliver these critical workstreams.

To find out more about our work visit igd.com/social-impact.

Engaging with industry and government

Our industry advisory groups and networks are critical in guiding our work and enabling businesses to partner with us to deliver social impact. They also provide an opportunity for members to develop peer networks and drive thought leadership for the whole industry. We welcomed some new members into our forums and networks in 2022 and engagement across all our groups remained high.

Beyond industry, we continued to build influence with government departments and grow our network of other critical stakeholders that can help us to deliver greater Social Impact.

We remained engaged in a number of Defra's official forums, including the Food Resilience Industry Forum, its Retailer Forum, the NI-GB Food Supply Chain Forum and the Bio-security Borders and Trade Programme Business Readiness Forum.

The Institute of Grocery Distribution

Trustees' Report (including the Strategic Report) (continued)

For the year ended 31st December 2022

Engaging with industry and government (continued)

We continued to nurture strong relationships with officials in Defra and other government departments, sharing relevant insight and details of our work programmes in some key policy areas, including healthy and sustainable diets, environmental labelling, youth unemployment, labour market and supply chain issues.

We also continued to foster strong relationships with key industry bodies such as WRAP, the Food and Drink Federation, the British Retail Consortium, the NFU and the Consumer Goods Forum, creating partnerships and aligning our goals on common themes and topics.

2022 highlights

- Both our February and September Policy Issues Council meetings were attended by the incumbent Secretary of State for Environment, Food and Rural Affairs, alongside senior government officials. At our June Policy Issues Council, invited speakers included David Kennedy, Director General, Defra and Torsten Bell, Chief Executive of The Resolution Foundation.
- Special guests also attended many of our other working group meetings. In September, Emily Miles, Chief Executive of the Food Standards Agency and Professor Sandy Thomas, Director of the Global Panel on Agriculture and Food Systems for Nutrition, joined our Technical Leaders' Forum meeting. Meanwhile in October, our People Leaders' Advisory Group meeting included discussion with John Shropshire, Chair of DEFRA's independent review into labour shortages.
- Our Chief Economist, James Walton, provided oral evidence, alongside the British Retail Consortium and the Food and Drink Federation, to the House of Commons Environment, Food and Rural Affairs (EFRA) Select Committee Food Security Inquiry in November.

Economics from IGD

We support better strategic planning and decision-making for the benefit of society, through our economic analysis and engagement with policymakers. We deliver free analysis of the latest economic and socio-economic trends, the policy landscape, and its impact on shoppers, to help organisations make sense of the external influences on our industry.

2022 highlights

- In total, more than 1,800 business leaders and critical stakeholders engaged with Economics from IGD content in 2022.
- We continued to track and monitor key economic indicators and important policy developments through our weekly Economics Bulletin, which now has more than 3,800 subscribers.
- We continued to share our flagship Viewpoint from IGD reports in 2022 – our quarterly deeper dive into the issues impacting our industry, with accompanying webinar. We also created two special reports on the specific challenges posed by food price inflation and productivity gaps.
- Our food price inflation forecast, first released in our June Viewpoint Special and subsequently updated in November, was extensively covered across national broadcast, print and trade media and generated engagement with key government stakeholders.

People from IGD

Our ambition is to build a workforce fit for the future. We focus on building people's vital employability and life skills; developing the skills and capability of industry professionals; and supporting businesses to create inclusive workplaces where everyone can thrive.

In 2022, we built on our work connecting young people and industry professionals through virtual work experience weeks and facilitated workshops, supporting companies to deliver their own follow-up activities to the schools within their communities. We piloted a range of approaches to help our industry address future skills shortages.

The Institute of Grocery Distribution

Trustees' Report (including the Strategic Report) (continued)

For the year ended 31st December 2022

People from IGD (continued)

We continued to grow our free learning programmes, which give everyone in our industry the same opportunity to build a great skills foundation. We develop our free learning curriculum with the support of a group of L&D professionals and our resources are available through structured courses, videos, webinars and other online resources.

Finally, we supported businesses to create inclusive cultures and make lasting change, through our networks to share best practice and our reverse mentoring programme, which we significantly scaled up in 2022.

2022 highlights:

- In total, we trained 15,500 young people through our employability programmes in 2022, a 50% increase on 2021, with 98% of participants agreeing this helped develop their employability skills.
- With support from companies, we've piloted a range of activities to help connect more than 500 young people with career opportunities, from networking conversations, in-class practical workshops and on-site work experience days.
- In total, we delivered 17,500 free learning hours to industry colleagues in 2023, with 91% of participants agreeing the programmes contributed to their personal development. Over 500 companies engaged with our free learning programme.
- Some 33 companies (130 partnerships) participated in our reverse mentoring programme, which creates a safe and collaborative space for leaders to hear the lived-in experiences of those from under-represented groups, and supports companies to drive positive cultural change.

Health from IGD

Our ambition is to make healthy and sustainable diets easy for everyone, by mobilising the industry to drive collaboration. We develop the leading source of practical business insights on shifting consumer behaviour and provide high-quality technical resources and tools to support businesses to deliver healthier and more sustainable diets.

Since 2019, IGD has joined forces with leading retailers, manufacturers and researchers at the University of Leeds, to put theory into practice through a series of behaviour change trials. This enables us to capture and measure sales and nutrition data from each intervention, to make recommendations on what actions truly drive long-term behaviour change.

2022 highlights

- The results of four health behaviour change trials with retailers were published in the autumn:
 - Reducing the price of fruit and vegetables and the impact on consumer baskets (Sainsbury's).
 - Boosting Healthy Start Vouchers for low-income families (Sainsbury's).
 - Placement of plant-based products in the meat aisle (Asda).
 - Placement of salads alongside Italian ready meals (M&S).
- We raised awareness of our work through a variety of external platforms including the Consumer Goods Forum Sustainable Retail Summit: Coming Together for Healthier Lives; The Grocer HFSS conference; the Peas Please pledger conference; and the International Food & Drink Event (IFE).
- Feedback scores collected from our industry network meetings in June and October showed 98% of industry stakeholders agree that IGD provides leading resources on healthy and sustainable diets.

Sustainability from IGD

Our ambition is to accelerate progress towards a sustainable food and consumer goods system. We focus on mobilising the industry to harmonise environmental labelling across food products; halve the environmental impact of packaging systems by 2030; halve food waste by 2030 and maximise food surplus redistribution; and accelerate the food and consumer goods industry's transition to Net Zero.

The Institute of Grocery Distribution

Trustees' Report (including the Strategic Report) (continued)

For the year ended 31st December 2022

Sustainability from IGD (continued)

In 2022 we continued our work with industry to develop a harmonised approach to environmental labelling in the UK. We are led by science, informed by consumers. A steering group of senior industry representatives, Defra and WRAP guides our decisions, with input from a larger consult group.

We also worked with food and consumer goods businesses and other critical stakeholders across the packaging system, launching a shared ambition to halve the environmental impact of packaging systems by 2030. The scope includes all packaging materials (not just plastics), and their environmental impacts.

Another of our aims is to halve food waste by 2030 and maximise food surplus redistribution. In 2018 we created a food waste reduction roadmap with WRAP to help food businesses target, measure and act on waste more consistently and give themselves a target for reduction. We continue to encourage businesses to sign up to the roadmap and report their food waste data. We also host an online redistribution hub, which has a comprehensive set of resources to accelerate progress on food surplus redistribution.

2022 highlights

- We have undertaken various phases of consumer research to explore attitudes, understanding and preferences towards environmental labelling on food and drink products, to identify what an effective labelling solution could look like. This has included a virtual reality industry trial with Co-op, Morrisons, Sainsbury's and Tesco, to provide industry with insights to advance the progression of the label.
- We published our environmental labelling framework, which provides stakeholders with a comprehensive but easy-to-digest overview of our current environmental labelling scheme recommendations, based on our learnings to date.
- We published a report on Halving the Environmental Impacts of the UK Packaging System, with an accompanying webinar attended by 42 companies, and positive feedback from our industry working group of 35 organisations.
- Later in the year, we launched best practice guidance around standardising life cycle assessment of packaging and a report on secondary and tertiary packaging.
- Packaging reuse trials are underway and we will progress this workstream in 2023.
- We continued to drive the number of businesses committed to target, measure and act on food waste and achieved our target 221 businesses submitting their food waste data.
- Nine new case studies have been published on our food surplus redistribution hub, showcasing innovative solutions to increase surplus redistribution.

Looking forward to 2023

To deliver long-term, sustainable social impact next year, we will be continuously improving our existing, large-scale programmes and developing new innovations.

In 2023, our ambition is to continue creating meaningful networks that capture a broader voice of industry and extend the reach of our social impact. We will continue driving engagement with industry, government and other critical stakeholders, ensuring our groups are inclusive, transparent and collaborative.

We will look to increase and deepen engagement with our thought-leading economic insight, ensuring it remains relevant to our audience and truly supports decision-making in our industry.

On people, we will be growing the scale of our employability programmes. Our pilots will continue to provide vital insight and guidance to help more companies in 2023 to develop a local skills strategy, to build relationships with schools and join up activity with key stakeholders within the education and skills landscape.

We also want to grow the long-term impact of our learning courses for new starters, early careers and line managers, as well as focus on creating a joined-up, long-lasting learning journey across total IGD. And we will be driving company engagement in our reverse mentoring programme and trying to truly understand the long-term impact of this initiative.

On health, we will provide a more regular drumbeat of recommendations to industry at a greater pace, as we continue developing our world-leading programme of behaviour change trials to inform industry action.

The Institute of Grocery Distribution

Trustees' Report (including the Strategic Report) (continued)

For the year ended 31st December 2022

Looking forward to 2023 (continued)

On sustainability, we will continue to consult widely on our environmental labelling work across industry, government and key stakeholders, moving on with the next phase of the programme as we look to inform the label design, supporting data and governance of any scheme. On packaging, we will aim to increase the profile and level of commitment from industry towards our ambition and help industry overcome barriers to the widespread adoption of reusable packaging systems by consumers.

In short, we will be focusing on strategic priorities where we can mobilise our industry to help us deliver long-term, sustainable impact at scale, to ultimately benefit the public.

Governance, structure and management

IGD is a registered charity (registration number 309939) and is constituted as a company registered in England and limited by guarantee (registration number 105680). Our objects and powers are set out in our Memorandum and Articles of Association.

As a charity, we exist to upskill people working in or looking to join the food and consumer goods industry. We also manage initiatives driven by research and best practice relating to economics, science and technology in the food industry. When launching anything new, we check that it complies fully with the Memorandum and Articles of Association and we regularly review all activities throughout the year. In these reviews we remind ourselves what we set out to achieve, what we have learnt, the public benefit delivered so far and the opportunities to extend this.

In doing so, we refer to the Charity Commission's general guidance on public benefit. The trustees consider that the charity has complied with the duty in section 17 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charities Commission. The trustees regularly consider and discuss how our existing and planned activities contribute to IGD's charitable objectives and probe to ensure that resources are used efficiently and deliver a satisfactory return.

The Board of Trustees is responsible for governing the charity. The trustees can serve for a maximum of seven years.

IGD is managed by a senior leadership team and the Chief Executive Officer reports to the trustees. The members of the senior leadership team are listed on page 32.

The Nominations Committee oversees the Board's composition making recommendations to the Board of Trustees in the light of specific criteria and the needs created by retirements. Trustee appointments are based on the need for the Board to have the skills and experience from across the supply chain, and providing the appropriate oversight and scrutiny, governance and leadership to IGD in pursuit of its strategies to fulfil its charitable purpose.

All trustees undertake an induction programme to ensure they understand the activities of the charity and their role as a trustee. We have an online document store providing trustees with instant access to all relevant resources including policies, minutes and governing documents.

The Board of Trustees have adopted a formal schedule of matters reserved for the Board and this is reviewed regularly. The Audit Committee provides oversight of financial reporting, risk and financial control matters.

The Remuneration Committee is responsible for overseeing the remuneration for the Chief Executive and senior leadership team at IGD. The Board of Trustees also has a Succession Committee which considers succession planning for the Chief Executive Officer.

Trustees consider the Charity Governance Code and use it as a tool for developing best practice to ensure that decisions are grounded in good governance. IGD rewards appropriately to attract and retain high calibre individuals who have the potential to grow and develop. We also recognise and reward high performance so that our standards and values are never compromised. This requires a flexible approach to position our packages competitively against a mix of comparators, but primarily against the industry we recruit from.

All packages are benchmarked to provide assurance that reward packages are fair and set at the level appropriate for the responsibility of each role. Salaries are determined on appointment depending on the relevant external market for the skills and experience required and are reviewed each year considering the external market (including general pay trends), IGD performance and affordability. All pay and bonus proposals for the Chief Executive and the senior leadership team are approved by the Remuneration Committee.

The Institute of Grocery Distribution

Trustees' Report (including the Strategic Report) (continued)

For the year ended 31st December 2022

Financial review

The source of funding for our charitable activities is profit from our wholly owned trading subsidiary, IGD Services Limited together with its two overseas trading subsidiaries. Our trading business is a trusted partner with unrivalled insight and foresight across our industry. We give our customers a better understanding of how to unlock success and where our industry is going. Our global insight enables us to deliver unique commercial knowledge and capabilities. We make a difference by giving our customers the ability to meet everyday challenges and adapt to changing futures.

Our trading and profitability in 2021 saw a significant uplift following the impact of the Covid-19 pandemic in 2020 with a 19% uplift in revenue. As such, we budgeted for further growth in 2022 with an uplift in revenue of 12% (£17.4m) and a budgeted surplus of £0.3m.

During 2022 however, we saw uncertainty and turbulence in the food and customer goods industry with supply chain issues including exceptional high energy prices following the conflict in the Ukraine. This led to a slowdown in demand for Solutions service as potential customers cut spending in response to cost inflation. As such, our Solutions business was £1.1m behind our budgeted number, leading to total revenue being £0.9m behind budget although still 6% growth over 2021.

A significant proportion of the shortfall in revenue was offset by cost savings, and as a result, our surplus on trading activities was still £5m (2021: £5m) and this enabled us to invest £5.1m (2021: £4.1m) in our charitable activities and to spend £0.2m on capital investment, mainly updating IT equipment.

This meant that we had a small deficit before investment losses for the year £0.2m (2021: £0.9m surplus) as the strong result in 2021 meant that we could maintain our spend on charitable activities in 2022.

During 2022, we continued to move some of our surplus cash into a managed multi-asset investment fund with Cazenove Capital, as approved by the Trustees in 2021. The objective of the investment policy is to protect IGD's reserves from inflation and to generate a return above inflation to help fund future charitable programmes. The fund has been specifically designed for Charities and the fund adopts a responsible investment approach integrating environmental, social and governance considerations into its decision making with the objective of creating long-term sustainable returns. During the year, a further £3.96m was transferred from cash/short term bank deposits to the investment fund, with a further £1m planned to be invested in 2023. As a result, our net current assets have fallen by £4.1m but this would only be a slight fall of £0.15m excluding the transfer to fixed asset investments.

Group reserves

The trustees have set a reserves policy which requires that reserves be maintained at a level which provides financial stability and ensures that IGD's charitable activities could continue during a period of unforeseen difficulty and that a proportion of reserves be maintained in a readily realisable form ("free reserves"). The trustees consider free reserves to be the amount of reserves that are easily converted into cash should the need arise; they exclude unrestricted funds of £2.6m tied up in fixed assets.

The trustees assess the reserves policy on an annual basis and have determined that IGD should review the level of reserves in conjunction with IGD's business plan and its requirement for investment in the future, considering the risks associated with its income stream. As a guide the level of free reserves should be within the range of 3 to 6 months of planned expenditure.

At 31st December 2022, free reserves (total non-restricted reserves less fixed assets) were £8.3m (2021: £8.7m), which equates to 5 months of planned expenditure (2021: 6 months) which is towards the top end of the policy approved by the Board, but given the high level of economic uncertainty, the Board of Trustees are comfortable with the position. The Board considers this to be an appropriate level of cover and the reserves will ensure that further investment can be made in IGD's charitable programmes and in capital investment to underpin IGD's long-term plans.

As with previous years we have undertaken a going concern review and the Trustees are confident that we will remain a going concern for the foreseeable future.

The Institute of Grocery Distribution

Trustees' Report (including the Strategic Report) (continued)

For the year ended 31st December 2022

Principal risks and uncertainties

The risks the charity faces are reviewed as part of our annual business planning cycle. Risks are prioritised by reviewing the potential impact, together with the likelihood of them occurring. Mitigating actions are reviewed with owners assigned to those actions. The risk register is reviewed on a regular basis and updated as appropriate and the trustees are provided with updates on major risks by exception at regular meetings.

After taken into account the mitigating controls in place, the following risks have been assessed to be the major ongoing risks which could impact IGD:

- **Relevance** - the industry is facing many challenges and we need to remain alert and be clear where IGD can add most value. Retaining the support of our stakeholders and the work of our industry advisory groups is critical to ensuring our work remains relevant and ultimately delivers social economic value. Rigorous strategic planning is essential and as a charity we need to ensure we are putting the consumer at the forefront of our thinking. We need to embed our brand values and behaviours and build IGD's profile ensuring that we are action-oriented and are adding value to our stakeholders.
- **Reputational** - we need to be mindful of the risk of reputational damage, especially as we need to be more purposeful and vocal to ensure we remain relevant. Managing the risk reward profile is key. More politically sensitive areas such as sustainability could result in adverse publicity, but we need to remain loyal to our purpose and objects.
- **Financial** - particularly the loss of income from IGD's trading subsidiary. The key action is ensuring we have a continuous programme of existing and new product development to ensure our products remain relevant for the industry. Ensuring we are listening to our customers and are tracking our competitors is an integral part of this process. Our reserves policy and rigorous forecasting process ensures that we have sufficient reserves to withstand any unforeseen events.
- **Inflation** – the most significant direct impact to us would be high wage inflation as our external direct costs are relatively low. There is however an indirect risk that inflationary cost pressures impact our customer base reducing their appetite to invest in our products and services. We manage this risk with regular forecasting and regular conversations with our customers.
- **People** - attracting and retaining talent is key to us delivering our strategic objectives. This is relevant both at Trustee/Director level and internally. People and internal communication plans have been developed and talent and succession planning has been embedded within our internal processes.
- **Legal** - as an industry facing charity funded by trading activities, we need to ensure we have the right processes and procedures to ensure we remain within charity law. In addition, we also need to be ahead of other changes such as the recently introduced IR35, data protection legislation etc. We also need to ensure we have robust procedures in place to manage competition law especially when we bring members of the industry together. We take external advice whenever needed and constantly review changes in regulations and our own processes.
- **Operational** - we need to ensure we have the rigorous procedures, controls and risk mitigating procedures in place to deliver our operational plan. This includes having a technology plan which ensures our systems are secure and robust and a targeted marketing plan which respects and protects our stakeholders' data.

The Institute of Grocery Distribution

Trustees' Report (including the Strategic Report) (continued)

For the year ended 31st December 2022

Subsidiary companies

IGD Services Limited is a wholly owned trading subsidiary company of IGD. The aim of this company is to provide sources of funding for our charitable activities.

IGD Services Limited has two wholly owned trading subsidiary companies. IGD Services (Canada) Inc, IGD Services (Singapore) Pte. Ltd. Both share the aim of providing funding our charitable activities.

Our trading subsidiaries are trusted partners to the industry providing unrivalled insight and foresight on the food and consumer good industry. We give our customers a better understanding of how to unlock success and where our industry is going. Our global insight enables us to deliver unique commercial knowledge and capabilities. We make a difference by giving our customers the ability to meet everyday challenges and adapt to changing futures.

- Our Online Insight Services provide international news, research and forward thinking so that our customers can get a deeper understanding of industry.
- Our events portfolio brings people together across the industry allowing attendees to gain a deeper understanding of themes impacting their business.
- Via IGD Solutions our customers can gain access to our extensive expertise to get the specific business solutions or training they require.

Although revenue was £0.9m short of budget, 2022 still saw revenue growth of 6% vs 2021 in a tough trading environment which saw the food and consumer goods industry face supply chain problems and exceptional energy cost increases. Restrictions due to the global Covid-19 pandemic were lifted and we delivered three successful large face to face events and fully resumed travel, enabling us to better meet the needs of our customers and better provide the research and insight we are valued for. See the Financial review on page 6 for further detail.

People at IGD

People at IGD are pivotal in all we do. We rely on their knowledge, skills, intellectual rigour and passion for the food and consumer good industry. Through our policies, practices and remuneration we aim to be a good employer.

We launched our new People Strategy in 2021 and the focus in 2022 has been embedding it across the organisation. Workstreams have been developed under the four key headings of How we Behave, How we Work, How we Develop and How we Engage.

This included a new hybrid working policy which empowered colleagues to find a pattern of working which suits them, while ensuring connectivity and creativity remained strong. Inclusion and Diversity has also been a key focus and we are proud that we achieved our key metrics of hiring 50% of people who recognise themselves as non-male and 30% who recognise themselves as non-white British. In total 69 new colleagues joined us in 2022 and onboarding has been a key focus. Recognising that good line management is paramount to success, all line management participated in a line management programme during the year.

Our annual staff survey achieved a fantastic response rate of 95%. The overall engagement score was marginally down on the previous year's score at 68 and a key focus in 2023 will be embedding the new recruits, collaboration between teams and employee engagement. We have relaunched IGD Taskforce, which is the forum tasked to be the employee voice. This taskforce includes representatives from across the organisation and will help our engagement and wellbeing strategy going forward.

Environmental responsibility

The biggest positive impact we make is via our charitable programmes which include working with the food and grocery industry on sustainability and waste. However, we are also conscious of our own activities and impact on the environment and have worked with external sustainability consultants to measure our sustainability or carbon footprint. We use that data to inform our decision making where environmental impact has a bearing.

The Institute of Grocery Distribution

Trustees' Report (including the Strategic Report) (continued)

For the year ended 31st December 2022

Fundraising Statement

Section 162a of the Charities Act 2011 requires charities to make a statement regarding fundraising activities. Although we do not undertake any fundraising from the general public, the legislation defines fund raising as "soliciting or otherwise procuring money or other property for charitable purposes." Such amounts receivable would be presented in our accounts as "voluntary income" should we receive any and would include legacies and grants. The charity is not bound by any undertaking to be bound by any regulatory scheme and the charity does not consider it necessary to comply with any voluntary code of practice as it does not undertake fundraising from the general public.

Statement of trustees' responsibilities

The names of the trustees who have acted in the year are given on page 31. The trustees are responsible for preparing the trustees' annual report, including the strategic 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 that give a true and fair view of the state of affairs of the group and the parent charity and of the incoming resources and application of resources, including the net income or expenditure, of the group for the year. In preparing those 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;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable 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 charity will continue in business.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the group and the parent 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 group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

So far as each of the trustees is aware at the time the report is approved:

- there is no relevant audit information of which the company's auditors are unaware; and
- the trustees have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

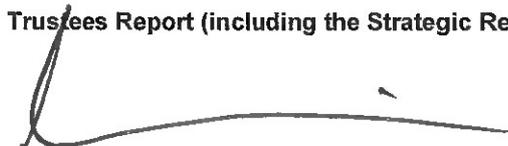
Directors' report

The Trustees' Report incorporates information required in the Directors' Report for the company under the Companies Act 2006.

Auditors

A resolution for the reappointment of BDO LLP will be proposed at the forthcoming Annual General Meeting.

Trustees Report (including the Strategic Report) approved on behalf of the Board of Trustees:



Afshin Amirahmadi
Chair
28 June 2023

The Institute of Grocery Distribution

Legal and Administrative Information

Principal Office Address: IGD
Grange Lane
Letchmore Heath
Watford
WD25 8GD

Company registration number: 105680

Charity registration number: 309939

Company secretary: I Fish (appointed 30 May 2022); J Bastiman (to 30 May 2022)

List of Advisors to IGD

Auditors: **BDO LLP**
55 Baker Street
London
W1U 7EU

Bankers:

| | |
|---|---|
| HSBC 60 Queen Victoria Street London EC4N 4TR | CAF Bank 25 Kings Hill Avenue West Malling Kent ME19 4JQ |
| The Co-operative Bank 3-7 Market Street, Watford WD18 0PE | Lloyds Bank Plc - Treasury Faryners House 25 Monument Street London EC3R 8BQ |

Investment Fund Managers: **Cazenove Capital**
1 London Wall Place
London
EC2Y 5AU

Solicitors:

| | |
|---|---|
| Stone King Boundary House 91 Charterhouse Street London EC1M 6HR | Slaughter & May 1 Bunhill Row London EC1Y 8YY |
|---|---|

Pension Scheme Advisors: **Cloud Benefits Ltd**
Unit 2 Courtyard Offices
Braxted Park
Great Braxted
Witham
Essex CM8 3GA

The Institute of Grocery Distribution

Group Statement of Financial Activities (Incorporating an income and expenditure account) For the year ended 31st December 2022

| | Notes | Total (General Funds) | Total (General Funds) |
|--|-------|-----------------------------|-----------------------------|
| | | 2022 | 2021 |
| | | £ | £ |
| <u>Income and endowments from:</u> | | | |
| Charitable activities | 6 | - | - |
| Trading activities | 6 | 16,499,170 | 15,587,358 |
| Interest receivable | 4 | 18,146 | 1,480 |
| TOTAL | | 16,517,316 | 15,588,838 |
| <u>Expenditure on:</u> | | | |
| Raising funds | 7a | (11,548,211) | (10,566,827) |
| Charitable activities | 7b | (5,129,203) | (4,088,289) |
| TOTAL | | (16,677,414) | (14,655,116) |
| Net (expenditure)/income before investment (losses)/gains | | (160,098) | 933,722 |
| Net (losses)/gains on investment assets | 11 | (292,038) | 53,207 |
| Net (expenditure)/income | | (452,136) | 986,929 |
| Taxation | 5 | (4,944) | (1,485) |
| Gain on revaluation of overseas subsidiaries | | 10,670 | 6,574 |
| Net movement in funds | 9 | (446,410) | 992,018 |
| Reconciliation of funds: | | | |
| Total funds brought forward | | 11,263,965 | 10,271,947 |
| Total funds carried forward | 9a | 10,817,555 | 11,263,965 |

The notes on pages 14 to 26 form part of these accounts.

All the above results are derived from continuing activities. There are no other recognised gains or losses other than those stated above.

The Institute of Grocery Distribution

Statement of Financial Position

31st December 2022

Company Number 105680

| | Notes | GROUP | | COMPANY | |
|--|-------|--------------------------|--------------------------|--------------------------|--------------------------|
| | | 2022 | 2021 | 2022 | 2021 |
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Intangible assets | 10 | 113,902 | 163,700 | 8,056 | - |
| Tangible assets | 10 | 2,438,901 | 2,427,309 | 2,064,747 | 2,130,170 |
| Investments | 11 | 7,681,169 | 4,013,207 | 7,981,269 | 4,313,207 |
| | | <u>10,233,972</u> | <u>6,604,216</u> | <u>10,054,072</u> | <u>6,443,377</u> |
| CURRENT ASSETS | | | | | |
| Debtors | 12 | 3,868,534 | 3,239,104 | 219,436 | 4,745,660 |
| Short-term bank deposits | | - | 3,500,000 | - | - |
| Cash at bank and in hand | | 4,551,976 | 6,255,668 | 1,593,611 | 1,554,805 |
| | | <u>8,420,510</u> | <u>12,994,772</u> | <u>1,813,047</u> | <u>6,300,465</u> |
| Creditors: Amounts falling due within one year | 13a | <u>(7,820,312)</u> | <u>(8,288,921)</u> | <u>(1,271,640)</u> | <u>(1,671,899)</u> |
| Net current assets | | <u>600,198</u> | <u>4,705,851</u> | <u>541,407</u> | <u>4,628,566</u> |
| Total assets less current liabilities | | <u>10,834,170</u> | <u>11,310,067</u> | <u>10,595,479</u> | <u>11,071,943</u> |
| Creditors: Amounts falling due after more than one year | 13b | <u>(16,615)</u> | <u>(46,102)</u> | <u>-</u> | <u>-</u> |
| Net assets | | <u>10,817,555</u> | <u>11,263,965</u> | <u>10,595,479</u> | <u>11,071,943</u> |
| The funds of the charity: | | | | | |
| Unrestricted funds | 9 | 9,499,656 | 9,925,773 | 9,277,580 | 9,733,751 |
| Revaluation reserve | 9 | 1,317,899 | 1,338,192 | 1,317,899 | 1,338,192 |
| Total charity funds | | <u>10,817,555</u> | <u>11,263,965</u> | <u>10,595,479</u> | <u>11,071,943</u> |

The Statement of Financial Activities for the year ended 31 December 2022 for the parent charitable company only was a deficit of £476,464 (2021: surplus of £807,092).

Approved and authorised for issue by the Board of Trustees on 28 June 2023 and signed on its behalf by:



Colin Moss – Trustee and Chair of Audit Committee

The notes on pages 14 to 26 form part of these accounts.

The Institute of Grocery Distribution

Group Statement of Cash Flows For the year ended 31st December 2022

| | Notes | 2022 £ | 2021 £ |
|---|-------|---------------------------|---------------------------|
| Net cash generated (used by)/from operating activities | 14 | (1,028,487) | 1,788,736 |
| Cash flows from investing activities: | | | |
| Interest received | | 18,146 | 1,480 |
| Purchase of intangible fixed assets | | (10,000) | (134,430) |
| Purchase of tangible fixed assets | | (223,351) | (311,036) |
| Purchase of investment assets | | (3,960,000) | (3,960,000) |
| Net cash from investing activities | | <u>(4,175,205)</u> | <u>(4,403,986)</u> |
| Cash flows from financing activities | | | |
| Transfers from short-term bank deposits | | 3,500,000 | 606,296 |
| Net cash provided by financing activities | | <u>3,500,000</u> | <u>606,296</u> |
| Change in cash and cash equivalents | 16 | <u>(1,703,692)</u> | <u>(2,008,954)</u> |
| Cash and cash equivalents at the beginning of the year | | <u>6,255,668</u> | <u>8,264,622</u> |
| Cash and cash equivalents at the end of the year | | <u>4,551,976</u> | <u>6,255,668</u> |

The notes on pages 14 to 26 form part of these accounts.

IGD has taken advantage of the exemption under FRS102 not to prepare a statement of cash flows for the parent company.

The Institute of Grocery Distribution

Notes to the financial statements

For the year ended 31st December 2022

1. Constitution

IGD is a company limited by guarantee and not having a share capital. In the event of a winding up, the members (who are the trustees) each have a maximum liability of twenty-five pence.

2. Accounting Policies

Basis of Accounts

The financial statements have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019) – Charities SORP (FRS 102)), the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) and the Companies Act 2006.

IGD 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 notes.

Based on the budget, cash forecasts and the available liquid resource, the Trustees believe that there is nothing which would cast doubt on the charity's ability to continue as a going concern for the foreseeable future, being a period of at least 12 months after the date on which the report and Financial Statements are signed. Although the conflict in Ukraine, rising commodity and energy prices and ongoing labour shortages has little direct impact on the IGD Group, they are having an impact on consumers and many of our stakeholders. Times of uncertainty can inevitably impact the wider supply chain and the services businesses procure, but the Trustees consider that any impact is well within the scenario planning completed as part of the going concern review. The Trustees, therefore, consider it appropriate for the accounts to be prepared on a going concern basis.

Basis of Consolidation

The consolidated financial statements have been prepared, using the equity method, for IGD and its subsidiary IGD Services Limited together with its subsidiaries, IGD Services (Canada) Inc. and IGD Services (Singapore) Pte. Ltd. The entity has taken exemption from presenting its unconsolidated profit and loss account under section 408 of Companies Act 2006.

Income

Income is the amount receivable for services supplied and from subscriptions for membership, excluding value added tax. Where income is received relating to future events (such as a conference or workshop) it is deferred and treated as a creditor until the event has occurred. Where income is received relating to a fixed period (eg a subscription to one of our online services or membership) the amount is allocated across the length of the subscription on a monthly basis and any portion relating to a future period is deferred and treated as a creditor.

Donations received and fund-raising efforts are shown as income in the year in which they are receivable.

Expenditure

Expenditure is allocated between costs of raising funds and costs of charitable activities according to the actual spend for each category.

Expenditure on charitable activities are then further allocated between categories within charitable expenditure on the basis of their function within the Charity. Any such costs where it is not possible to allocate in this way are allocated across the activities in the same proportion as those which are directly allocated. Where costs are apportioned between these headings a consistent basis is used.

All costs are recognised on an accruals basis.

Translation of Foreign Currencies

Transactions denominated in foreign currencies are translated into sterling at the rate applying on the date of the transaction. Year end balances stated in foreign currencies are translated into sterling at the relevant Bank of England currency rate on 31st December. All gains and losses on translation of foreign currency amounts are recognised as income or expenditure.

The Institute of Grocery Distribution

Notes to the financial statements (continued)

For the year ended 31st December 2022

2. Accounting Policies (continued)

Intangible Assets

Intangible assets relate to website development costs, electronically held databases and IP. Where group companies' websites are expected to generate future revenues in excess of the costs of developing those websites and all other capitalisation criteria are met, expenditure on the functionality of the website is capitalised and treated as an intangible fixed asset. The capitalised website development costs are subsequently amortised to 'administrative' expenses on a straight line basis over 3 years, except for those that are 'assets under construction', where no amortisation charge is incurred until the asset is complete.

Tangible Assets

Only assets costing over £300 are capitalised. All fixed assets are stated at cost (or deemed cost in the case of Freehold Property). Depreciation is calculated to write off the cost amount of the assets over their estimated useful lives as follows:

| | |
|--------------------------------------|----------------------------|
| Land | Not depreciated |
| Buildings | 50 years straight line |
| Building improvements | 5 years straight line |
| Fixtures and fittings | 10 years reducing balance |
| Office machinery & computer software | 3-5 years reducing balance |
| Computer Hardware | 3 years straight line |

Impairment Policy

Impairment reviews are carried out where there is an indication that the recoverable amount of a fixed asset is below its net book value and values of assets written down accordingly.

Leases

Rentals paid under operating leases are charged to the income and expenditure account on a straight-line basis over the term of the lease.

Research

Research expenditure is written off as it is incurred.

Pension costs

IGD operates a Group Personal Pension Plan, which is a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The cost is recognised based on what is charged in the period.

Investments held as fixed assets

Investment values in subsidiary companies and are stated at cost less provision for impairment where applicable. Investments held in investment funds are stated at the quoted value at the year-end date. Any movement in the value is shown as a 'net gain on investment value' in the accounts.

Funds

Funds are classified under three main types:

- **Restricted:** These are funds that have been received by the Charity for a purpose specified by the donor.
- **General:** These are the unrestricted funds held by the charity and its subsidiary.
- **Revaluation reserve:** The revaluation reserve in respect of the building is amortised over 50 years, in line with the depreciation of the building. The revaluation reserve represents the uplift in value recognised when adopting the fair value as deemed cost in 2015 under FRS 102.

The reserve relating to specific funding for the building extension is classified as Restricted funds and is amortised on a straight-line basis to write back the reserve over the estimated useful lives of the assets to which it relates. All other funds are classified as General.

Key judgement and accounting estimates

Provision is included in the accounts for the 2022 all-employees bonus scheme. The level of pay-out is determined by measuring performance against a pre-set level of targets for the 2022 calendar year. These key targets were derived from the business plan and were agreed at the end of 2021 by the Remuneration Committee and are aimed at driving performance within the organisation. The relevant targets were achieved at the end of 2022 and the bonus was paid in March 2023, before the accounts were approved.

The Institute of Grocery Distribution

Notes to the financial statements (continued) For the year ended 31st December 2022

3. Net (Expenditure)/Income

Net (expenditure)/income is stated after charging:

| | <u>2022</u> | <u>2021</u> |
|---|-------------|--------------|
| | £ | £ |
| Depreciation/Amortisation - owned assets | 271,557 | 224,796 |
| Auditors' remuneration - for audit services | 49,648 | 42,013 |
| - for other services | 15,889 | 16,770 |
| Indemnity insurance | | 896 |
| Operating lease rentals - plant and machinery | 394 | 2,899 |
| | <u>394</u> | <u>2,899</u> |

Staff costs

| | <u>2022</u> | <u>2021</u> |
|-----------------------|-------------------|-------------------|
| | £ | £ |
| Wages and salaries | 9,727,337 | 9,106,771 |
| Social security costs | 1,132,463 | 1,007,167 |
| Other pension costs | 1,448,198 | 1,277,130 |
| | <u>12,307,998</u> | <u>11,391,068</u> |

Total remuneration received by the senior leadership team was £1,614,932 (2021: £1,164,993).

The pension costs of £1,448,198 (2021: £1,277,130) represent the contributions payable by the company to the Group Personal Pension Plan. No Contributions were payable to the fund at the year end and included in creditors. (2021: £nil).

Redundancy, restructuring and termination costs relating to a number of employees were £75,453 (2021: £131,800).

The average number of permanent and temporary employees of IGD during the year was 168 (2021:149).

Higher paid employees

| | <u>2022</u> | <u>2021</u> |
|----------------------|-------------|-------------|
| | number | number |
| £60,001 to £70,000 | 9 | 15 |
| £70,001 to £80,000 | 10 | 17 |
| £80,001 to £90,000 | 11 | 8 |
| £90,001 to £100,000 | 5 | 4 |
| £100,001 to £110,000 | 6 | - |
| £110,001 to £120,000 | 3 | 3 |
| £120,001 to £130,000 | 1 | 1 |
| £130,001 to £140,000 | - | 1 |
| £140,001 to £150,000 | - | 1 |
| £160,001 to £170,000 | 1 | - |
| £170,001 to £180,000 | 2 | - |
| £180,001 to £190,000 | 1 | - |
| £190,001 to £200,000 | 1 | - |
| £210,001 to £220,000 | - | 1 |
| £290,001 to £300,000 | 1 | - |
| | <u>51</u> | <u>51</u> |

The banding includes salaries, bonus payments and payments in lieu of pension contributions made to employees during the year. Total pension contributions paid in respect of higher paid employees were £681,194 (2021: £639,978). No remuneration or expenses were paid to trustees (see Note 18).

The Institute of Grocery Distribution

Notes to the financial statements (continued) For the year ended 31st December 2022

4. Interest receivable

| | 2022 £ | 2021 £ |
|----------------------------------|---------------|--------------|
| Bank deposit interest receivable | <u>18,146</u> | <u>1,480</u> |

5. Taxation on the Surplus on Ordinary Activities

| | 2022 £ | 2021 £ |
|---|------------------|------------------|
| 5a. Analysis of tax charge in the year: | | |
| Current Taxation: | | |
| UK Corporation tax on Profits of the year (see 5b) | - | - |
| Under provision from prior year (see 5b) | - | - |
| Canadian Income tax on Profits of the year | <u>4,944</u> | <u>1,485</u> |
| Tax on profit on ordinary activities | <u>4,944</u> | <u>1,485</u> |
| 5b. Factors affecting the tax charge for the year: | | |
| IGD Services Ltd trading profit on ordinary activities before tax (note 8a) | <u>4,940,938</u> | <u>4,842,074</u> |
| Profit on ordinary activities multiplied by the standard rate of corporation tax of 19% (2021:19%) | 938,778 | 919,994 |
| Effects of: | | |
| Deferred tax not recognised | 10,452 | (30,304) |
| Fixed asset differences | (10,751) | 28,058 |
| Expenses not deductible for tax purposes | 56 | 162 |
| Charitable donations paid through equity | <u>(938,535)</u> | <u>(917,910)</u> |
| Total tax charge for the year (IGD Services Ltd) | <u>-</u> | <u>-</u> |

The Institute of Grocery Distribution

Notes to the financial statements (continued)

For the year ended 31st December 2022

6. Income

| | 2022 £ | 2021 £ |
|-------------------------------|-------------------|-------------------|
| Trading activities: | | |
| Membership subscriptions | 2,893,567 | 2,998,034 |
| Insight based services | <u>13,605,603</u> | <u>12,589,324</u> |
| | 16,499,170 | 15,587,358 |
| Charitable activities: | <u>-</u> | <u>-</u> |
| | 16,499,170 | 15,587,358 |

7. Expenditure

7a. Split of expenditure on raising funds

| | 2022 £ | 2021 £ |
|--|-------------------|-------------------|
| Direct costs | 1,044,890 | 642,788 |
| Administrative expenses: | | |
| Staff costs | 8,915,640 | 8,593,524 |
| Depreciation/Amortisation | 171,490 | 143,390 |
| Other admin costs | <u>1,350,654</u> | <u>1,128,342</u> |
| | 10,437,784 | 9,865,256 |
| Governance costs: | | |
| Auditors' remuneration -for audit services | 49,648 | 42,013 |
| -for other services | <u>15,889</u> | <u>16,770</u> |
| | 11,548,211 | 10,566,827 |

7b. Split of expenditure on charitable activities

| | People £ | Health £ | Sustain- ability £ | Economic Analysis £ | 2022 Total £ |
|---------------------------------|------------------|------------------|--------------------------|---------------------------|--------------------|
| Direct costs: | 383,707 | 122,712 | 621,961 | 35,683 | 1,164,063 |
| Administrative expenses: | | | | | |
| Staff costs | 992,358 | 783,481 | 783,481 | 776,369 | 3,335,689 |
| Depreciation | 29,770 | 23,504 | 23,504 | 23,289 | 100,067 |
| Other admin costs | <u>140,631</u> | <u>111,030</u> | <u>111,030</u> | <u>110,024</u> | <u>472,715</u> |
| | 1,162,759 | 918,015 | 918,015 | 909,682 | 3,908,471 |
| Governance costs: | | | | | |
| Staff Costs | 16,859 | 13,310 | 13,310 | 13,190 | 56,669 |
| | 1,563,325 | 1,054,037 | 1,553,286 | 958,555 | 5,129,203 |

The Institute of Grocery Distribution

Notes to the financial statements (continued)

For the year ended 31st December 2022

7b. Split of expenditure on charitable activities (continued)

| | People £ | Health £ | Sustain- ability £ | Economic Analysis £ | 2021 Total £ |
|---------------------------------|------------------|----------------|--------------------------|---------------------------|--------------------|
| Direct costs: | 306,776 | 119,193 | 373,249 | 34,398 | 833,616 |
| Administrative expenses: | | | | | |
| Staff costs | 843,953 | 681,690 | 607,161 | 593,310 | 2,726,114 |
| Depreciation | 25,202 | 20,356 | 18,131 | 17,717 | 81,406 |
| Other admin costs | 116,317 | 93,953 | 83,681 | 81,772 | 375,723 |
| | <u>985,472</u> | <u>795,999</u> | <u>708,973</u> | <u>692,799</u> | <u>3,183,243</u> |
| Governance costs: | | | | | |
| Staff Costs | 22,113 | 17,862 | 15,909 | 15,546 | 71,430 |
| | <u>1,314,361</u> | <u>933,054</u> | <u>1,098,131</u> | <u>742,743</u> | <u>4,088,289</u> |

8. a. Net Income of Trading Subsidiary

IGD has a wholly owned subsidiary, IGD Services Limited (registered office: Grange Lane, Letchmore Heath, Watford, WD25 8GD). The company provides insight based services including online information services, events, customised solutions and training services to companies mainly within the food and consumer goods industry. It donates its taxable profits to IGD and a summary of its trading results is shown below. Audited accounts are filed annually with the Registrar of Companies.

Profit and Loss Account

| | 2022 £ | 2021 £ |
|-------------------------------|----------------|----------------|
| Turnover | 16,499,170 | 15,587,358 |
| Direct expenses | (1,044,890) | (642,788) |
| Administration expenses | (10,527,649) | (10,103,876) |
| Operating surplus | 4,926,631 | 4,840,694 |
| Interest receivable | 14,307 | 1,380 |
| Dividend receivable | - | - |
| Profit before taxation | 4,940,938 | 4,842,074 |
| Taxation | - | - |
| Profit after taxation | 4,940,938 | 4,842,074 |
| Gift Aid Payment | (4,940,938) | (4,842,074) |
| Retained profit in subsidiary | - | - |
| Total assets | 7,144,056 | 11,630,222 |
| Total liabilities | (6,773,534) | (11,259,700) |
| Shareholders' funds | <u>370,522</u> | <u>370,522</u> |

The Institute of Grocery Distribution

Notes to the financial statements (continued)

For the year ended 31st December 2022

8 b. Net Income of Canadian Subsidiary

IGD Services Limited has a wholly owned subsidiary registered in Canada, IGD Services (Canada) Inc. (registered office: Impart Law Professional Corp, 700 - 34 King Street East, Toronto, M5C 2X9, Canada) incorporated under the Business Corporations Act of Ontario on 5th October 2010. The company provides insight and content services to IGD Services Ltd and strengthens our global research proposition.

| | 2022 £ | 2021 £ |
|---|----------------------|----------------------|
| Turnover | 202,943 | 117,658 |
| Direct expenses | - | - |
| Administration expenses | <u>(193,279)</u> | <u>(112,055)</u> |
| Profit before taxation | 9,664 | 5,603 |
| Taxation | (4,944) | (1,485) |
| Retained profit (IGD Services (Canada) Inc.) | <u>4,720</u> | <u>4,118</u> |
| Total assets | 448,809 | 433,623 |
| Total liabilities | (366,377) | (360,856) |
| Shareholders' funds | <u>82,432</u> | <u>72,767</u> |

8 c. Net Income of Singapore Subsidiary

IGD Services Limited also has a wholly owned subsidiary registered in Singapore, IGD Services (Singapore) Pte. Ltd. (registered office: c/o Associates Corporate Services Pte. Ltd., 80 Robinson Road, #02-00, Singapore 068898) incorporated in Singapore on 15th February 2016. The company provides insight and content services to IGD Services Limited and strengthens our research proposition across Asia.

| | 2022 £ | 2021 £ |
|--|----------------------|----------------------|
| Turnover | - | - |
| Management charge income | 253,841 | 247,550 |
| Direct expenses | - | - |
| Administration expenses | <u>(239,179)</u> | <u>(233,252)</u> |
| Profit before taxation | 14,662 | 14,298 |
| Taxation | - | - |
| Retained profit (IGD Services (Singapore) Pte. Ltd) | <u>14,662</u> | <u>14,298</u> |
| Total assets | 91,299 | 73,260 |
| Total liabilities | (26,645) | (26,461) |
| Shareholders' funds | <u>64,654</u> | <u>46,799</u> |

The Institute of Grocery Distribution

Notes to the financial statements (continued) For the year ended 31st December 2022

9. Categorisation of Funds

a. Unrestricted Funds (Group):

| | Revaluation reserve | Other unrestricted funds | Total general funds |
|--|------------------------|--------------------------------|---------------------------|
| | £ | £ | £ |
| Fund brought forward | 1,338,192 | 9,925,773 | 11,263,965 |
| Net deficit before (losses)/gains | - | (160,098) | (160,098) |
| Loss on investment assets | - | (292,038) | (292,038) |
| Taxation | - | (4,944) | (4,944) |
| Gain on revaluation of overseas subsidiaries | - | 10,670 | 10,670 |
| Reserves transfer | (20,293) | 20,293 | - |
| Fund carried forward | <u>1,317,899</u> | <u>9,499,656</u> | <u>10,817,555</u> |

Unrestricted Funds (Company):

| | Revaluation reserve | Other unrestricted funds | Total general funds |
|----------------------------|------------------------|--------------------------------|---------------------------|
| | £ | £ | £ |
| Fund brought forward | 1,338,192 | 9,733,751 | 11,071,943 |
| Net deficit after taxation | - | (184,426) | (184,426) |
| Loss on investment assets | - | (292,038) | (292,038) |
| Reserves transfer | (20,293) | 20,293 | - |
| Fund carried forward | <u>1,317,899</u> | <u>9,277,580</u> | <u>10,595,479</u> |

b. Analysis of Net Assets (Group)

| | General 2022 £ | Designated 2022 £ | Total 2022 £ | General 2021 £ | Designated 2021 £ | Total 2021 £ |
|--|----------------------|-------------------------|--------------------|----------------------|-------------------------|--------------------|
| Fixed assets | 8,916,073 | 1,317,899 | 10,233,972 | 5,266,024 | 1,338,192 | 6,604,216 |
| Current assets: | | | | | | |
| Cash at bank and in hand | 4,551,976 | - | 4,551,976 | 6,255,668 | - | 6,255,668 |
| Short-term bank deposits | - | - | - | 3,500,000 | - | 3,500,000 |
| Other current assets | 3,868,534 | - | 3,868,534 | 3,239,104 | - | 3,239,104 |
| | <u>8,420,510</u> | - | <u>8,420,510</u> | <u>12,994,772</u> | - | <u>12,994,772</u> |
| Creditors less than one year | (7,820,312) | - | (7,820,312) | (8,288,921) | - | (8,288,921) |
| Net current assets | <u>600,198</u> | - | <u>600,198</u> | <u>4,705,851</u> | - | <u>4,705,851</u> |
| Total assets less current liabilities | <u>9,516,271</u> | <u>1,317,899</u> | <u>10,834,170</u> | <u>9,971,875</u> | <u>1,338,192</u> | <u>11,310,067</u> |
| Creditors due after more than one year | (16,615) | - | (16,615) | (46,102) | - | (46,102) |
| Net Assets | <u>9,499,656</u> | <u>1,317,899</u> | <u>10,817,555</u> | <u>9,925,773</u> | <u>1,338,192</u> | <u>11,263,965</u> |

The Institute of Grocery Distribution

Notes to the financial statements (continued) For the year ended 31st December 2022

9. Categorisation of Funds (continued)

b. Analysis of Net Assets (Company)

| | General 2022 £ | Designated 2022 £ | Total 2022 £ | General 2021 £ | Designated 2021 £ | Total 2021 £ |
|------------------------------|----------------------|-------------------------|--------------------|----------------------|-------------------------|--------------------|
| Fixed assets | 8,736,173 | 1,317,899 | 10,054,072 | 5,105,185 | 1,338,192 | 6,443,377 |
| Current assets: | | | | | | |
| Cash at bank and in hand | 1,593,611 | - | 1,593,611 | 1,554,805 | - | 1,554,805 |
| Other current assets | 219,436 | - | 219,436 | 4,745,660 | - | 4,745,660 |
| | 1,813,047 | - | 1,813,047 | 6,300,465 | - | 6,300,465 |
| Creditors less than one year | (1,271,640) | - | (1,271,640) | (1,671,899) | - | (1,671,899) |
| Net current assets | 541,407 | - | 541,407 | 4,628,566 | - | 4,628,566 |
| Net Assets | 9,277,580 | 1,317,899 | 10,595,479 | 9,733,751 | 1,338,192 | 11,071,943 |

10. Intangible and Tangible Fixed Assets

a. Group – Tangible Assets

| | Freehold property £ | Building Improv'ts £ | Fixtures and equipment £ | Total £ |
|---------------------------------|---------------------------|----------------------------|-----------------------------------|------------------|
| Cost | | | | |
| At 1 January 2022 | 2,205,148 | 350,711 | 1,033,932 | 3,589,791 |
| Additions | - | 32,700 | 190,651 | 223,351 |
| Disposals / Write offs | - | (45,998) | (100,150) | (146,148) |
| At 31 December 2022 | <u>2,205,148</u> | <u>337,413</u> | <u>1,124,433</u> | <u>3,666,994</u> |
| Accumulated depreciation | | | | |
| At 1 January 2022 | 333,244 | 131,318 | 697,920 | 1,162,482 |
| Charge for the year | 30,503 | 59,845 | 121,411 | 211,759 |
| Disposals / Write offs | - | (45,998) | (100,150) | (146,148) |
| At 31 December 2022 | <u>363,747</u> | <u>145,165</u> | <u>719,181</u> | <u>1,228,093</u> |
| Net book value | | | | |
| At 31 December 2022 | <u>1,841,401</u> | <u>192,248</u> | <u>405,252</u> | <u>2,438,901</u> |
| At 31 December 2021 | <u>1,871,904</u> | <u>219,393</u> | <u>336,012</u> | <u>2,427,309</u> |

IGD has taken the option in FRS102 to use the latest valuation of the freehold property as deemed cost at the transition date of 1 January 2015.

The Institute of Grocery Distribution

Notes to the financial statements (continued) For the year ended 31st December 2022

10. Intangible and Tangible Fixed Assets (continued)

b. Group – Intangible Assets

| | Software £ | Websites £ | IP £ | Total £ |
|---------------------------------|----------------|----------------|---------------|------------------|
| Cost | | | | |
| At 1 January 2022 | 249,790 | 793,569 | - | 1,043,359 |
| Additions | - | - | 10,000 | 10,000 |
| Transfers | - | - | - | - |
| At 31 December 2022 | <u>249,790</u> | <u>793,569</u> | <u>10,000</u> | <u>1,053,359</u> |
| Accumulated amortisation | | | | |
| At 1 January 2022 | 86,090 | 793,569 | - | 879,659 |
| Charge for the year | 57,854 | - | 1,944 | 59,798 |
| At 31 December 2022 | <u>143,944</u> | <u>793,569</u> | <u>1,944</u> | <u>939,457</u> |
| Net book value | | | | |
| At 31 December 2022 | <u>105,846</u> | <u>-</u> | <u>8,056</u> | <u>113,902</u> |
| At 31 December 2021 | <u>163,700</u> | <u>-</u> | <u>-</u> | <u>163,700</u> |

c. Company – Tangible Assets

| | Freehold property £ | Building Improv'ts £ | Fixtures and equipment £ | Total Tangible £ | Total Intangible (IP) £ |
|---------------------------------|---------------------------|----------------------------|-----------------------------------|------------------------|----------------------------------|
| Cost | | | | | |
| At 1 January 2022 | 2,205,148 | 350,711 | 159,201 | 2,715,060 | - |
| Additions | - | 32,700 | - | 32,700 | 10,000 |
| | | (45,998) | - | (45,998) | - |
| At 31 December 2022 | <u>2,205,148</u> | <u>337,413</u> | <u>159,201</u> | <u>2,701,762</u> | <u>10,000</u> |
| Accumulated depreciation | | | | | |
| At 1 January 2022 | 333,244 | 131,318 | 120,328 | 584,890 | - |
| Charge for the year | 30,503 | 59,845 | 7,775 | 98,123 | 1,944 |
| | - | (45,998) | - | (45,998) | - |
| At 31 December 2022 | <u>363,747</u> | <u>145,165</u> | <u>128,103</u> | <u>637,015</u> | <u>1,944</u> |
| Net book value | | | | | |
| At 31 December 2022 | <u>1,841,401</u> | <u>192,248</u> | <u>31,098</u> | <u>2,064,747</u> | <u>8,056</u> |
| At 31 December 2021 | <u>1,871,904</u> | <u>219,393</u> | <u>38,873</u> | <u>2,130,170</u> | <u>-</u> |

The Institute of Grocery Distribution

Notes to the financial statements (continued)

For the year ended 31st December 2022

11. Investments

a. Group Undertakings (Company)

| | 2022 | 2021 |
|----------------------|----------------|----------------|
| | £ | £ |
| Shares at cost | | |
| IGD Services Limited | 300,000 | 300,000 |
| IGD Limited | 100 | - |
| | <u>300,100</u> | <u>300,000</u> |

IGD Limited was incorporated on 28 June 2022 and had remained dormant since incorporation.

b. Other investments (Group and Company)

| | 2022 | 2021 |
|------------------------------------|------------------|------------------|
| | £ | £ |
| Value at 1 st January | 4,013,207 | - |
| Investment during the year | 3,960,000 | 3,960,000 |
| Fair value movement | (53,207) | 53,207 |
| Impairment below cost | (238,831) | - |
| Value at 31 st December | <u>7,681,169</u> | <u>4,013,207</u> |

During the year, the Company has continued to move some of its cash surplus to a multi-asset investment fund managed by Cazenove Capital as a long-term investment in order to maximise returns. The fund has been specifically designed for Charities and adopts a responsible investment approach integrating environmental, social and governance considerations into its decision making with the objective of creating long-term sustainable returns. It is invested mainly in global equities and bonds. The historic cost of these investments is £7,920,000 (2021: £3,960,000).

12. Debtors

| | Group | | Company | |
|-----------------------------------|------------------|------------------|----------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Trade debtors | 3,302,372 | 2,855,027 | 4,486 | 1,159 |
| Amount due from group undertaking | - | - | 159,251 | 4,574,295 |
| Other debtors | 52,461 | 44,541 | 46,165 | 36,914 |
| Prepayments and accrued income | 513,701 | 339,536 | 9,534 | 133,292 |
| | <u>3,868,534</u> | <u>3,239,104</u> | <u>219,436</u> | <u>4,745,660</u> |

13. a) Creditors: Amounts falling due within one year

| | Group | | Company | |
|----------------------------------|------------------|------------------|------------------|------------------|
| | 2022 | 2021 | 2022 | 2021 |
| | £ | £ | £ | £ |
| Trade creditors | 802,384 | 580,159 | 235,752 | 161,945 |
| Amount owed by group undertaking | - | - | 100 | - |
| Taxation and social security | 807,960 | 786,939 | 295,886 | 271,195 |
| Accruals | 1,014,914 | 1,549,344 | 712,087 | 1,234,944 |
| Deferred income (see 13c) | 5,195,054 | 5,372,479 | 27,815 | 3,815 |
| | <u>7,820,312</u> | <u>8,288,921</u> | <u>1,271,640</u> | <u>1,671,899</u> |

The Institute of Grocery Distribution

Notes to the financial statements (continued) For the year ended 31st December 2022

b) Creditors: Amounts falling due after more than one year

| | Group | | Company | |
|-----------------|---------------|---------------|-----------|-----------|
| | 2022 £ | 2021 £ | 2022 £ | 2021 £ |
| Deferred income | <u>16,615</u> | <u>46,102</u> | <u>-</u> | <u>-</u> |

Creditors falling due after one year comprises deferred income for subscriptions which fall beyond 31st December 2023.

c) Movement in deferred income

| | Group | | Company | |
|---------------------------------|------------------|------------------|---------------|--------------|
| | 2022 £ | 2021 £ | 2022 £ | 2021 £ |
| Deferred income brought forward | 5,418,582 | 5,841,340 | 3,815 | 33,355 |
| Released in the year | (5,372,480) | (5,818,412) | - | (33,355) |
| Income deferred in the year | 5,165,567 | 5,395,654 | 24,000 | 3,815 |
| | <u>5,211,669</u> | <u>5,418,582</u> | <u>27,815</u> | <u>3,815</u> |

Deferred income comprises income invoiced for subscriptions, membership, training and events which fall beyond 31st December 2022.

14. Reconciliation of net (expenditure)/income to Operating Cash Flows

| | 2022 £ | 2021 £ |
|---|---------------------------|-------------------------|
| Net (expenditure)/income | (452,136) | 986,929 |
| Investment income | (18,146) | (1,480) |
| Depreciation/amortisation charges | 271,557 | 224,796 |
| Profit on revaluation of overseas subsidiary reserves | 10,670 | 6,574 |
| Decrease/(Increase) in revaluation of investments | 292,038 | (53,207) |
| (Increase) in debtors | (634,374) | (77,493) |
| (Decrease)/Increase in creditors | <u>(498,096)</u> | <u>702,617</u> |
| Taxation paid | (1,028,487) | 1,788,736 |
| | - | - |
| Net cash (used by)/generated from operating activities | <u>(1,028,487)</u> | <u>1,788,736</u> |

15. Reconciliation of Net Cash Flow to Movement in Net Funds

| | 2022 £ | 2021 £ |
|---|---------------------------|---------------------------|
| (Decrease) in cash for the year | <u>(1,703,692)</u> | <u>(2,008,954)</u> |
| Movement in net funds for the year | <u>(1,703,692)</u> | <u>(2,008,954)</u> |
| Net funds at 1 January | <u>6,255,668</u> | <u>8,264,622</u> |
| Net funds at 31 December | <u>4,551,976</u> | <u>6,255,668</u> |

The Institute of Grocery Distribution

Notes to the financial statements (continued) For the year ended 31st December 2022

16. Analysis of Net Funds

| | Balance 1 Jan 2022 £ | Cash Flows £ | Balance 31 Dec 2022 £ |
|--------------------------|----------------------------|---------------------------|--------------------------------|
| Cash at bank and in hand | 6,255,668 | (1,703,692) | 4,551,976 |
| Total net funds | <u>6,255,668</u> | <u>(1,703,692)</u> | <u>4,551,976</u> |

17. Lease commitments

| | 2022 £ | 2021 £ |
|----------------------------------|-----------|------------|
| Minimum future lease commitment: | | |
| Due within one year | - | 394 |
| Due 2-5 years | - | - |
| | <u>-</u> | <u>394</u> |

None of the above lease commitments are in respect of land and buildings.

18. Trustees' Reimbursements

No reimbursements were made in 2022 or 2021 in respect of Trustees' expenses.

No Trustee has received any remuneration in 2022 or 2021 for their role as Trustee.

19. Related Party Transactions

There were no related party transactions in either 2022 or 2021.

The Company has taken advantage of the exemptions available in terms of the requirement to disclose transactions with group companies on the grounds that consolidated financial statements are prepared.

IGD and its subsidiaries provide products and services to the businesses mentioned on page 31 in which trustees/directors are key management personnel. However, in accordance with para. 33.4 of FRS102 these are not considered related parties on the basis that none of the trustees or directors have control over those businesses.

20. Results of the parent company

As a consolidated Statement of Financial Activities is published, a separate income and expenditure account for the parent undertaking is omitted from the group accounts by virtue of section 408 of the Companies Act 2006. The deficit for the year retained in the books of the parent undertaking was £476,464 (2021: surplus £807,092). Total net income of the parent undertaking was £4,940,939 (2021: £4,842,074) being the Gift Aid received from IGD Services Ltd of £4,940,939 (2021: £4,842,074).

21. Capital Commitments

At 31 December 2022 the Group was committed to capital spend of £55,000 (2021: £nil).

The Institute of Grocery Distribution

Independent auditor's report to the members of The Institute of Grocery Distribution

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 December 2022 and of the Group's incoming resources and application of resources 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.

We have audited the financial statements of The Institute Of Grocery Distribution ("the Parent Charitable Company") and its subsidiaries ("the Group") for the year ended 31 December 2023 which comprise the group statement of financial activities (incorporating an income and expenditure account), the group and charity balance sheets, the group statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Charitable Company in accordance with the ethical requirements 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.

Conclusions related 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 Group and the Parent Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The Trustees are responsible for the other information. The other information comprises the information included in the Annual Report and Accounts, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

The Institute of Grocery Distribution

Independent auditor's report to the members of The Institute of Grocery Distribution (continued)

Other Companies Act 2006 reporting

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

- the information given in the Trustees' Report, which includes the Directors' Report and the Strategic report prepared for the purposes of Company Law, for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and the Directors' Report, which are included in the Trustees' Report, have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Charitable Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic report or the Trustees' report.

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

- adequate accounting records have not been kept by the Parent Charitable Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Charitable Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' 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 directors' report.

Responsibilities of Trustees

As explained more fully in the statement of trustees' responsibilities, 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 Group's and the Parent 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 Group or the Parent 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

We have been appointed as auditor under the Companies Act 2006 and report in accordance with the Act and relevant regulations made or having effect thereunder.

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.

The Institute of Grocery Distribution

Independent auditor's report to the members of The Institute of Grocery Distribution (continued)

Extent to which the audit was 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:

Non-compliance with laws and regulations

Based on:

- Our understanding of the Group and the sector in which it operates;
- Discussion with management and those charged with governance including the Audit Committee;
- Obtaining and understanding of the Group's policies and procedures regarding compliance with laws and regulations; and

We considered the significant laws and regulations to be the UK Tax legislation, FRS102, Companies Act 2006, Corporate and VAT legislation, Data protection regulations, Employment Taxes, Health and Safety and the Bribery Act 2010.

The Group is also subject to laws and regulations where the consequence of non-compliance could have a material effect on the amount or disclosures in the financial statements, for example through the imposition of fines or litigations. We identified such laws and regulations to be UK Tax legislation, Data protection regulations, Health and Safety and the Bribery Act 2010.

Our procedures in respect of the above included:

- Review of minutes of meeting of those charged with governance for any instances of non-compliance with laws and regulations;
- Review of correspondence with regulatory and tax authorities for any instances of non-compliance with laws and regulations;
- Review of financial statement disclosures and agreeing to supporting documentation; and
- Review of legal expenditure accounts to understand the nature of expenditure incurred.

Fraud

We assessed the susceptibility of the financial statements to material misstatement, including fraud. Our risk assessment procedures included:

- Enquiry with management and those charged with governance including the Audit Committee regarding any known or suspected instances of fraud;
- Obtaining an understanding of the Group's policies and procedures relating to:
 - Detecting and responding to the risks of fraud; and
 - Internal controls established to mitigate risks related to fraud.
- Review of minutes of meeting of those charged with governance for any known or suspected instances of fraud;
- Discussion amongst the engagement team as to how and where fraud might occur in the financial statements;
- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud; and
- Considering remuneration incentive schemes and performance targets and the related financial statement areas impacted by these.

Based on our risk assessment, we considered the areas most susceptible to fraud to be improper revenue recognition as well as management override of controls through the use of journal entries and bias in significant accounting estimates.

The Institute of Grocery Distribution

Independent auditor's report to the members of The Institute of Grocery Distribution (continued)

Our procedures in respect of the above included:

- Testing a sample of journal entries throughout the year, which met a defined risk criteria, by agreeing to supporting documentation;
- Assessing significant estimates made by management for bias, including depreciation rates for assets, accruals, yearend bonus, bad debt provision and going concern assumptions.
- Reviewing revenue recognition as well as assessing cut off for revenue in the financial year.

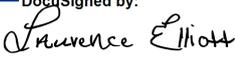
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that 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, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://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 the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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Laurence Elliott (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
London, UK

Date 05 July 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

The Institute of Grocery Distribution

Board of Trustees and IGD Services Limited Board of Directors For the year ended 31st December 2022

The following is a list of Trustees and Directors who have served since 1st of January 2022 unless stated otherwise.

Trustee of IGD and Director of IGD Services Ltd

| | | |
|---|--|------------------|
| Ian Morley | Vice President Sales Northern Europe | Procter & Gamble |
| Jill Ross (resigned Dec 2022) | Chief Executive Officer | Avidity |
| Colin Moss | Senior Director – Finance Transformation | Mars |
| Natasha Adams | Chief Executive Officer, Ireland | Tesco |
| Afshin Amirahmadi (appointed Feb 2022) | Managing Director | Aria Foods |

Trustee of IGD

| | | |
|--|-------------------------------------|--------------------------|
| Lindsay Boswell (resigned Mar 2023) | Chief Executive Officer | Fareshare.org |
| Andrew Clappen (resigned Dec 2022) | Food Technical Director | Marks & Spencer |
| Chris Whitfield | Chief Operating Director | Co-operative Food |
| Morag Freathy | MD Business & Industry UK & Ireland | Compass |
| Ruth McDonald (appointed Jun 2022) | Corporate Services Director | Wm Morrison Supermarkets |
| Richard Sharp | Vice President Human Resources | Unilever |

Director of IGD Services Ltd

| | | |
|---------------|--------------------------------|-----------------------|
| Bradley Moore | UK Sales Director | Nestle Purina Petcare |
| Michael Evans | Group Communications Director | Greencore Group |
| Sam Burston | Director of Nectar and Loyalty | Sainsbury's |
| Chris Walker | Vice President | Asda |

The Institute of Grocery Distribution

Senior Leadership Team

For the year ended 31st December 2022

IGD's current Senior Leadership Team

| | |
|---------------|---------------------------------------|
| Susan Barrett | Chief Executive Officer |
| Ian Fish | Chief Financial Officer |
| Naomi Kissman | Social Impact Director |
| Nick Downing | Commercial & Insight Director |
| Sarah Baldock | Marketing and Communications Director |
| Liz Clarkson | People Director |