

Annual Report 2021/22

Driving Excellence
and Innovation



Legal and Administrative Information

Trustees

Seamus McCaffrey
John Henning
Conall Donnelly
Wilbert Mayne
Jo-Anne Dobson
Val McConnell
David Rea
Ivor Ferguson
John Martin (Resigned 22 November 2021)
Gerry Boyle (Appointed 22 November 2021)
Ian McCluggage (Appointed 22 November 2021)
Norman McMordie (Appointed 22 November 2021)
Martyn Blair (Resigned 30 April 2022)
Peter Morrow (Resigned 20 June 2022)
Alan McCay (Appointed 20 June 2022)
Sam Chesney (Appointed 20 June 2022)

Secretary

Jason Rankin

Charity Number

NIC102341

Registered Office

Innovation Centre
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Auditor

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Bankers

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Danske Bank
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Solicitors

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Advisory Committees

Beef Advisory Committee

Matthew Brownlee
Arthur Callaghan
Thomas Chambers
Andrew Clarke
John Egerton
David Gibson
Stephen Hennan
Hugh McCollum – *Chairperson*
Pat McKay
Thomas Moorehead
John Payne
Mark Scott (*Non-voting CAFRE liaison*)
William Sherrard
Ian Stevenson
Alan Turkington

Dairy Advisory Committee

Robert Beck
Claire Beckett
Phillip Donaldson
Neville Graham
Ivor Lowry
Robert Martin (Spa)
Samantha McCarroll
Alan McCay
Samuel McElheran
Don Morrow (*Non-voting CAFRE liaison*)
James Purcell
Thomas Steele – *Chairperson*
Gary Thompson – *Vice Chairperson*
Stewart Watson

Sheep Advisory Committee

Edward Adamson –
Chairperson
Alistair Armstrong
William Beattie
Roger Bell
Brian Cromie
James Davison
Nigel McLaughlin – *Vice Chairperson*
Brendan Kelly
Kenneth Linton
Mark Scott (*Non-voting CAFRE liaison*)
Colin Smith
Campbell Tweed

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Chairman's Report

Seamus McCaffrey

AgriSearch continues to deliver for the ruminant livestock sector in Northern Ireland, working to improve efficiency, innovation and profitability on farms by maximising the uptake of research outcomes funded by our levy income. Through leveraging external funding and working with partners AgriSearch has now seen total research spend exceed £62m over the past 25 years.

We remain a local, independent organisation established by farmers for farmers and are conscious of our responsibility to manage finances wisely and maximise research 'value' from the farmer levy that we spend. Key to this success has been using the multi-actor approach – working with many partners including AFBI, AHDB, CIEL, DAERA, IGFS, and others to deliver for the ruminant livestock sector.

Due to ongoing Covid restrictions most of the AgriSearch knowledge exchange activities in 2021/22 were digital. Over the year we held 5 webinars, published 4 farmers booklets along with over 24 new videos added to our YouTube channel. In autumn 2021 we were able to hold our first farm walk since Covid which attracted around 100 farmers.

Staff continue to play a key role in the success of AgriSearch and in 2021/22 we continued to benefit from the achievements of Jason Rankin, ably supported by Jillian Hoy, Denise Aiken, Sarah Brown, Kerry Given and Rachel Knox. On behalf of AgriSearch I thank each for their contribution.

During the year Peter Morrow (our then Vice Chair) indicated that he did not wish to assume the Chair of AgriSearch. Three new "independent" Trustees were therefore appointed at the AGM in 2021 - Gerry Boyle, Ian McCluggage and Norman McMordie.

At the 2021 AGM John Martin retired from the Board having served for three consecutive terms. I would like to thank John for his contribution to the Board.



Since the year end Peter Morrow and Martyn Blair have both stepped down from the Board and I would like to thank them for their service. Alan McCay was appointed as a new Independent Farmer Trustee and the Ulster Farmers Union nominated Sam Chesney to fill the vacancy created by Martyn Blair.

At the conclusion of the 2022 AGM I handed over the Chair of AgriSearch to Professor Gerry Boyle and I would like to wish him all the best for his term of office. Ian McCluggage and Norman McMordie have been appointed as joint Vice-Chairs.

Farming and food continue to face challenging times and it is increasingly important that scientific evidence from research is used to improve sustainability on farms and counter some of the misinformation about our grass-based beef, dairy and sheep farming systems.

We recognise that the industry will be facing major challenges in the near future and are continually re-assessing our activities to ensure that AgriSearch is doing all it can to help farmers meet those challenges.

General Manager's Report

Jason Rankin



Beacon Farm Network

Following on from a comprehensive strategic review of AgriSearch which took place during 2020, implementation of this new strategy got fully underway in 2021-2022. Having just established the Beacon Farm Network our first action was to undertake carbon benchmarking across all the farms using the SRUC Agrecalc tool. This turned out to be a much more ambitious undertaking than we had imagined and required time and patience to validate the data and ensure we got an accurate benchmark for the 48 farms involved, many of whom had multiple enterprises. I would like to thank the members of the Beacon Farm Network, my own staff and colleagues at SRUC for their support in this undertaking.

Seven farms, representative of the variability within the Beacon Farm Network, were then selected from the network to undertake detailed case studies with SAC consultants to look at opportunities for reducing carbon footprint on their farms.

Since the year end we have held a series of workshops with Beacon Farmers to identify innovations to reduce carbon footprint and we will shortly be launching a major new project looking at the use of legumes to reduce the use of manufactured N fertiliser and reduce carbon footprint.

European Innovation Partnerships

AgriSearch leads three European Innovation Partnership projects:

- Multi-Species Swards for Beef and Sheep
- Targeted Selective Treatment of Anthelmintics (dairy, beef and sheep)
- Leatherjack Mitigation Strategies

AgriSearch is also a partner in the ARCZero (Accelerating Ruminant Carbon Zero) EIP project which was led by Prof. John Gilliland.

These projects all hit the ground running in Spring 2021. The six farmers involved in the Multi-Species Swards for Beef & Sheep group established a total of 37ha of MSS. This was a steep learning curve for all involved and the mutual support given by the group to its members was invaluable. The project has gone from strength to strength and has attracted a lot of interest. In our first post-covid farm walk we had over 100 farmers attend the September 2021 farm walk at Dale Orr's. I would like to thank all the group members (including AFBI & QUB colleagues) for the commitment they have made to this project.

On farm activity also commenced for the seven farms taking part in the Anthelmintic Targeted Selective Treatment EIP project. We are indebted to Prof. Eric Morgan and Dr Chris McFarland from Queen's University for their support and assistance with this project. I would also like to thank the farmers involved for the hard work they have put in. Targeted Selective Treatment is not an easy option but the problem of anthelmintic resistance is growing rapidly and should be an area of concern for all farmers and doing nothing is simply not an option.

We undertook comprehensive surveys as part of the Leatherjacket Mitigation Strategies EIP project and did find significant leatherjacket infestations in a number of fields within the project. We also worked with farmers from outside the group who were having regular issues. It is clear that there

is no single “silver bullet “ solution to leatherjackets but rather a range of smaller scale mitigations which can be used to minimise impact risk.

During the year the ARCZero project also continued with its process of detailed benchmarking of carbon on the seven farms involved in the project. This included LIDAR surveys and a soil carbon survey being done at a level of detail never seen before. The study has highlighted that farmers are the custodians of huge amounts of carbon, a fact that had hitherto gone unrecognised.

SUPER-G

Throughout the year AgriSearch continued its involvement in the Super-G project (which is the largest project in our portfolio). This Horizon 2020 project involves 20 partners from 14 countries and has a total budget of €10M over 5 years.

Between AgriSearch and AFBI almost €1M is being spent in Northern Ireland. The main objective is to develop integrated approaches for permanent grassland management that are cost-effective, environmentally sound and easily manageable. The project will:

- Define systems
- Benchmark
- Provide decision-support tools for farmers, advisors and policy makers.
- Influence policy

Resilience for Dairy (R4D)

AgriSearch also continued its involvement in the “Resilience for Dairy” (R4D) Horizon 2020 Thematic Network which has 17 partners from 15 countries.

The overall objective of R4D is to develop and to strengthen a self-sustainable EU Thematic Network on “resilient and robust dairy farms” designed to stimulate knowledge exchanges and cross-fertilisation among a wide range of actors and stakeholders of the dairy industry.

The aim of R4D is to widely disseminate relevant ready-to-use best practices based on innovations, facilitating knowledge exchange from farmers to farmers.

The topics it will address are:

1. Economic and social resilience
2. Technical efficiency
3. Environment, welfare and society friendly production systems

Reacting to rapidly changing events

One of AgriSearch’s strengths is its ability to react quickly when needed. In November 2021 the Trustees commissioned AFBI to undertake an urgent review of the economics of fertiliser application for grass production. The results of this review were disseminated through two “Fertiliser Planning” webinars, in conjunction with AFBI and CAFRE, held January/February 2022 for the dairy and beef & sheep sectors respectively and subsequently published in a farmers booklet. Following this AgriSearch undertook a major survey, in which over 800 farmers participated, to assess the impact of rising costs on farms and determine the decisions which farmers were making.

Knowledge Exchange

Due to ongoing Covid restrictions AgriSearch was only able to hold one physical Knowledge Exchange event during the 2021/22 financial year (a Multi-Species Sward for beef and Sheep EIP Farm Walk at Dale Orr’s, Strangford, Co. Down) and instead relied heavily on digital technology. This included:

- 2 GrassCheck Podcasts
- 2 Fertiliser Planning Webinars
- Webinar - Anthelmintic Targeted Selective Treatment EIP
- Webinar - Multi-Species Swards for Beef and Sheep EIP
- Webinar - Leatherjackets Mitigation Strategies EIP
- Published 24 videos on AgriSearch YouTube channel
- Published four farmer booklets

General Manager's Report

In addition to the above activity AgriSearch also assisted the Ulster Grassland Society in holding their 2021 Annual Conference via our Zoom webinar platform. We also took a stand at the Royal Ulster Winter Fair which gave us the opportunity to discuss the latest research findings with levy payers. I am pleased to say that since the year end, and the relaxation of COVID-19 restrictions we have once again been able to hold a series of farm walks which have been very well supported and attended.

Research Funding

It is widely acknowledged that on its own the levy income AgriSearch receives is unable to fund significant levels of research. The total AgriSearch levy income in 2021/22 was £472,186 and it is not uncommon for research projects to cost well in excess of a million pounds. AgriSearch has therefore always sought to leverage as much external funding as possible.

External funding for research is usually obtained through funding calls which can be irregular in nature with the numbers of open calls fluctuating between financial years. More recently the number of research calls has fallen with both DAERA's Research Challenge Fund and the Agri-Food Quest Competence centre not currently being open for new applications. In addition DAERA's Evidence & Innovation Strategy Research Call (which forms part of AFBI's core income) has been much more focused on policy needs leaving us little opportunity to level funding in that way.

As a result AgriSearch was only able to commission 3 projects during the 2021/22 financial year:

- Assessing the impact of price increases on the economics of fertiliser application for grass production.
- GrassCheck 2022
- RAPID EVIDENCE ASSESSMENT – Factors driving the efficiency, profitability and environmental sustainability of suckler cow production

The first project was entirely funded by AgriSearch. DAERA provided funding for the GrassCheck plots at Greenmount and Hillsborough and AgriSearch funded the GrassCheck farm network (including grass quality analysis) and the running of the weekly grass growth model. The rapid evidence assessment on "Factors driving the efficiency, profitability and environmental sustainability of suckler cow production" was jointly commissioned by AgriSearch, AHDB, HCC & QMS. The total cost of these new projects to AgriSearch was £85,240. The total value of research commissioned by AgriSearch since its creation stands at over £62 million (from £8.8 million of levy).

Due to the lack of funding opportunities AgriSearch has now built up substantial reserves. Since the year end plans have been developed for large scale ambitious projects including a next phase for GrassCheck and the use of legumes in conserved forage. Since the year end the Trustees have approved plans for over £700K of new research expenditure to take place over the next 3-4 years with plans for further projects in the pipeline.

Staffing

AgriSearch has continued its practice of hiring a placement student each year. In June 2021 Rachel Knox (a Zoology Undergraduate from Queen's University Belfast) took over from Kerry Given. Since the year-end Rachel was replaced by our 2022/2023 student Jonathan McAleese (who is studying Agricultural Science at Harper Adams).

Since the year end AgriSearch has also recruited Courtney Colgan to the new post of Farm Liaison Officer.

Acknowledgements

I would like to thank the Trustees and members of the advisory committees for their invaluable commitment to AgriSearch. AgriSearch works with a wide variety of industry partners and I would particularly like to acknowledge Dale Farm, AHWNI, LMC and Farm Vet Systems for their participation in AgriSearch led research projects. In addition,

CAFRE continue to assist with knowledge exchange alongside cutting plots and providing management notes for the GrassCheck programme.

I would also like to acknowledge the ongoing support of Nigel Scollan, Eric Morgan, Chris McFarland, Ann McMahon and Stephane Durand at Queen's University Belfast and Francis Lively, Steven Morrison, Aimee Craig, Aurélie Aubry, Conrad Ferris and Archie Murchie at AFBI, as well as Jonathan Birnie and Ashely Hassin at Birnie Consultancy.

A special mention must also go to our growing network of pilot farmers and farmer co-researchers who play an increasingly important role in so many of our projects. In particular I would like to acknowledge the tremendous enthusiasm and drive shown by the farmer members of our European Innovation Partnership groups.

The ARCZero EIP project in particular is breaking new ground in our understanding of the net carbon position of Northern Ireland farms and I would like to pay tribute to John Gilliland of Devenish for the foresight, knowledge and drive that he has brought to this highly innovative project.

Last but by no means least I would like to acknowledge the enormous contribution our staff members Denise Aiken, Jillian Hoy, Sarah Brown, Courtney Colgan, Kerry Given, Rachel Knox and Jonathan McAleese. Each of them has shown diligence and initiative which has made my job much easier.

Conclusion

The pace of change in the ruminant livestock sector continues to accelerate and in these changing and challenging times the role of science and innovation has never been so important. The ruminant livestock sector is coming under unprecedented pressure, particularly with regard to the environment. Yet, agriculture has great potential to deliver a wide variety of ecosystem services (e.g. carbon sequestration) to meet these challenges. Looking forward to the year ahead we are likely to see further clarity on some of the environmental pressures that farmers face with the publication of the Ammonia Consultation and the proposed carbon budget and associated action plans which will become law by the end of 2023.

AgriSearch is adapting to address these challenges and our new strategy has been devised to tackle them head on, guiding farmers on the road to low carbon farming and protect farming's social license. Ultimately, however, we are still a small organisation with limited resources. It is only by working collaboratively with industry, our research partners, our enthusiastic and growing team of farmer co-researchers, and government that we can hope to achieve our aim – to make the Northern Ireland ruminant livestock sector more competitive, profitable and sustainable.



Multi-Species Swards for Beef and Sheep EIP Project Farm Walk at Dale Orr's Farm



Trustees' Annual Report

The Trustees; who are also the directors for the purposes of company law, present their report and accounts for the year ended 31 March 2022.

The accounts have been prepared in accordance with the accounting policies set out in Note 1 to the accounts and comply with the Charity's Memorandum and Articles of Association, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2015)"

OBJECTIVES AND ACTIVITIES

Charitable objective

The principal activity of the Council is to commission research and development in the agricultural industry. The Charity's objectives are to advance education, for the public benefit, in particular, by conducting and commissioning research into the improvement and development of sheep, beef and dairy farming and to disseminate and publish the useful results of such research and also to promote the improvement of animal health and welfare in sheep, beef and dairy farming in Northern Ireland.

Aims of charity

Like all industries, the Northern Ireland ruminant livestock sector needs to constantly advance to meet the challenges it faces. These include competitiveness in an increasingly globalised market, meeting government and consumer expectations in the fields of animal health and welfare, reducing the environmental impact of farming, delivery of ecosystem services and improving food quality and safety.

Research and innovation have a major role to play in helping farmers to increase their socio-economic resilience, improve their environmental sustainability and enhance the health status of their herds and flocks.

During 2014-15 the Trustees commissioned a complete review of AgriSearch's strategy to determine AgriSearch's purpose, vision, mission, value and principles.

Purpose: To make the Northern Ireland Ruminant Livestock Sector more competitive, profitable and sustainable

Vision: AgriSearch is committed to being an important driver of excellence and innovation in the Northern Ireland ruminant livestock sector, and being recognised as such by government and industry.

Mission: To realise this vision, our mission is to drive profitability and sustainability, as a trusted, valued conduit of knowledge and innovation based on sound science and widely applied research.

Values and Principles: Our values and principles below will be prevalent in all of our activities and reflected in all of our work.

- Honesty and integrity
- Ethical leadership and good governance
- Accountability to farmers - levy payer led
- Consultation, engagement, and effective communication at all levels of government and the industry
- Collaboration and partnership across all our sectors
- Seeking value for money in all of our research and innovation projects and programmes
- Advocating excellence in all research, science, and innovation activities

In light of further significant change within the agri-food sector and AgriSearch's operating environment, the Trustees instigated a strategy review process in February 2020.

As part of this process the Trustees engaged extensively with farmers, processors, experts and other key stakeholders in the industry. The review highlighted the need to have a more targeted and focused programme of work. Sustainability was identified as the main challenge for the industry.

The three pillars of sustainability are:

- **People** – Farming systems that offer a reasonable work/life balance and that protect farming's social license.
- **Planet** – Farming systems that deliver ecosystem services (e.g. biodiversity and carbon sequestration) as well as minimising nutrient losses and carbon footprint.
- **Profit** – Farming systems are not sustainable unless they are profitable. A lack of profitability is a major challenge for many farms, particularly those in the beef and sheep sectors. In addition increased volatility in the price of milk, beef and lamb and farm inputs can also threaten the economic resilience and sustainability of farms

With this in mind, in 2021 AgriSearch established a network of Beacon Farms across Northern Ireland. The Network aims to gather evidence for research into sustainable livestock farming systems that deliver for people, planet and profit. The network currently consists of farms from across the province, covering the full range of ruminant farming systems.

Forming a key part of AgriSearch's new strategy, over the 5-year term of the project, farmers within the Beacon Farm Network will benchmark carbon sequestration on-farm, quantify the benefit of ecosystem services delivered by farmers, and encourage the development of innovative, resilient and sustainable farm systems. It will also provide a platform for a range of other research projects and initiatives, enabling a targeted research approach.

It is the intention that this network of commercial farms will act as a beacon for the industry; by showcasing the latest innovations and activities that deliver for both farm businesses and the environment, the Beacon farms will help drive the necessary cultural change required on farms across Northern Ireland.

In addition, the range of information and data gathered across the network will better inform industry relevant research questions which will in turn direct policy discussion and ensure the sector can positively communicate the wider associated benefits of agriculture and land management.

How achievement of aims furthers objectives

The charity is dependent on the goodwill of its levy funders. Given this, the Trustees have put in place a range of systems to try to ensure appropriate research projects are commissioned, that research findings are innovatively disseminated and that feedback and engagement are sought. Innovative research and development is a key strategy within Government targets. AgriSearch is also committed to innovative research and development and aims to maximise its influence and impact. AgriSearch also seeks to collaborate with government and industry bodies within Northern Ireland and further afield. By doing so we can leverage our limited levy funds to achieve a much greater impact than by working alone.

It is also the policy of the Trustees that the return on investment of the funds directed to research is analysed and measured to ensure optimum value for money on behalf of the charity's funders. Increasingly, as research projects reach conclusion, greater emphasis is being placed on the dissemination of findings and the adoption by industry of the key recommendations into every day working practice. Environmental and animal welfare considerations continue to be more significant factors in the sustainability of farming and AgriSearch takes increasing notice of these factors.

Strategies for achieving aims and objectives

- To build understanding of global advances in production systems, practices and techniques, through the funding of new research, the sharing of knowledge, and widespread innovation and development.
- To leverage funding and deliver programmes through collaborative research partnerships, actively seeking partners locally, nationally and internationally, and developing mutually beneficial relationships.
- To establish expertise in fund raising and the organisational capabilities to be proactive and responsive in rising to emerging opportunities and industry challenges.
- To communicate more effectively and directly with farmers, increase the number of farmers we reach and increase their active participation.

Trustees' Annual Report

- To facilitate bottom-up, industry led priorities for research and innovation, based on need.
- To support the NI science community, working to ensure the future capacity and capability of NI scientists and agriculturalists.

Criteria or measures used to assess success

- Funding applied for and awarded, including partnerships
- Improvements in productivity and efficiency at farm level
- Improvements in systems, processes, and practices
- Increased profitability from farming ruminant livestock
- Reduced input, overhead, and energy costs per unit of output
- Increased or more productive use of land
- Strength of AgriSearch profile locally and internationally
- Level of industry/farmer confidence in AgriSearch research models, methods, and outcomes
- Strong collaborative relationships in government, in the agri-food industry, and in the scientific and academic community
- Increase in effectiveness of communication
- Value for money and impact on farming (economic and environmental)

Statement of compliance with Charity Commission guidance

The Charity has paid due regard to guidance issued by the Charity Commission in deciding what activities the Charity should undertake.

SIGNIFICANT ACTIVITIES UNDERTAKEN

Main objectives for the year and strategies for achieving them

- To further develop the Beacon Farm Network
- To continue our involvement in Super-G (a Horizon 2020 Project on Permanent Grassland).
- To continue our involvement in Resilience for Dairy (R4D) Horizon 2020 Thematic network.
- To lead three European Innovation Partnership operational groups and provide comms and KE services to a fourth group (ARCZero).

- To participate in the building of further networks and consortia to pool resources, avoid the duplication of research and draw down external funding.
- To continue our membership of and involvement in the Centre for Innovation Excellence in Livestock.
- To hold further K.E. events in collaboration with AFBI and CAFRE.
- To increase the reach of our knowledge transfer programme through further on-farm events, seminars and increasing traffic to the website and social media.
- To further develop our communications and knowledge transfer strategy.
- To engage with DAERA to ensure a high priority is given to research and knowledge transfer and ensure co-ordination of research and knowledge transfer activities and maximize synergies.

Grant-making policy

Investments in research programmes take into account value for money, affordability and the potential for the research to be adopted in practice on farms in Northern Ireland.

Any research proposal must address at least one of the following key pillars:

- Sustainability / profitability
- Environmental Impact
- Animal Welfare / Health
- Food quality / safety

The Trustees also look for additional external funding in any research projects they approve. This is mainly obtained through the Department of Agriculture's Evidence and Innovation Strategy and Research Challenge Fund programmes and more recently the InvestNI funded Agri-Food Quest Competence Centre. AgriSearch has also obtained funding from the European Union under the Horizon 2020 programme.

Use of volunteers

The charity makes significant use of volunteers in the course of its work. In addition to the Trustees, the members of the three sectoral advisory committees give freely of their time in attending and

preparing for committee meetings as well as supporting events run by AgriSearch.

In addition, many of AgriSearch's research programmes are based on commercial Northern Ireland farms who only receive a small payment for the time they spend on these projects and who make their herds and flocks available for research as well as allowing access to farm records and hosting extension events on their farms.

ACHIEVEMENTS AND PERFORMANCE

Summary of main achievements

- Commissioned 3 new research projects
- Commissioned a rapid review on the economics of fertiliser application
- Completed carbon benchmarking of the Beacon Farm Network
- Continued involvement in SUPER-G (a Horizon 2020 project)
- Led three European Innovation Partnership operational groups:
 - o Targeted Selective Treatment of Anthelmintics
 - o Multi-Species Swards for Beef & Sheep
 - o Leatherjacket Mitigation Strategies
- Led KE and Comms Activities for ARC Zero EIP operational group.
- Website continuously updated along with use of social media.
- Produced 2 GrassCheck Podcasts
- Hosted 5 webinars
- Held a farm walk on Multi-Species Swards
- Planned and led a Multi-Species Swards Study Tour
- Continued work on "Resilience for Dairy" (R4D) a new Horizon 2020 Thematic Network
- Published farmers booklets on the findings of the following projects:
 - o RamCompare NI
 - o Improving performance in feed-to-yield systems
 - o iTEMiD (electricity usage on dairy farms)
 - o N Fertiliser Review
- Took a stand at the RUAS Winter Fair

Investment performance against objectives

Cash flow and reallocation of funds between accounts has been managed to maximize the limited returns available on deposit accounts. The Danske Bank (Davy) managed portfolio has returned a reasonable performance with a return of 0.5% this year. The St. James's Place managed portfolio has also returned satisfactory performance with a return of 4.5% this year. The Trustees have reviewed the portfolio and returns and are satisfied with the management of risk and investment income.

Balanced picture of charity's progress against objectives

While AgriSearch has been successful at leveraging a significant amount of funding from government and other sources in the past, many funding streams which AgriSearch has availed of in the past are no longer open to new applications. Knowledge exchange is a key component of our work. Over the course of the year we have run 7 successful knowledge exchange events.

Key performance indicators explaining outputs achieved by objectives

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPI's is not necessary for an understanding of the development, performance or position of the business.

Significant positive and negative factors that affected the achievement of objectives and how future plans are affected

Given the relatively small amount of levy income the commissioning of research projects is dependent on the availability of leveraged funding. Funding competitions for such projects do not follow a regular cycle. In the last three years there have been fewer funding calls open and those that have been open have not aligned particularly well with the goals and aspirations of AgriSearch. As a result of this the Trustees instigated a major review of AgriSearch's strategy. Further to this they have engaged the services of Dr Sinclair Mayne as an Independent Scientific Advisor to advise the Trustees and management.

Trustees' Annual Report

FINANCIAL REVIEW

Review of financial position at the end of the reporting period

The statement of financial activities for the year is set out on pages 25 to 39 of this report. The net movement in funds for the financial year is net resources received of £508,729 (2021: net resources received of £195,203). During the year AgriSearch agreed to fund 3 projects totalling £85,240 on the basis that complementary funding in the region of £24,767 would be sought from the EU, Department of Agriculture, Environment and Rural Affairs and other sources. When other sources of funding are added, the total expenditure on the related research and development since the formation of AgriSearch in 1997 is over £62m, with the input from AgriSearch amounting to £8.8M.

Significant events that affected financial performance and financial position during the period

Events during the year did not give rise to any material financial impact.

The Trustees monitor financial performance on a regular basis and take a low risk stance on finance. It is the Trustees' policy to achieve the best financial return on longer term funds with a prudent investing attitude whilst ensuring that sufficient funds are available to meet the operational expenditure of the organisation. Invested funds can be accessed at short notice. Financial risk is considered as part of the Trustees' ongoing assessment of its operating environment and a risk register is maintained.

The organisation is largely dependent on a revenue stream from voluntary levies paid by farmers and agri-food processors. The risk to future financial performance based on this is regularly considered and assessed. Budgets are set for each financial year in light of this. At the end of the financial year, there are no events or circumstances which would significantly impact the organisation's future financial performance.

The Trustees have considered the effect of Covid-19 on the operations of the company and its financial results. In common with other

businesses, the pandemic resulted in adherence to social distancing and lockdown rules with the result that staff adapted to working at home for part of the period. In some cases, the finalisation of projects was delayed due to lockdown restrictions. Income was not materially affected. Overall the Trustees are satisfied that there was no material impact on the operations of the company.

INVESTMENT POLICY AND OBJECTIVES

The overall investment policy is low risk. During the 2021-22 financial year the majority of funds were held in deposits across a number of institutions as agreed by the Trustees. A portion of funds which are not required in the short term continue to be invested within investment portfolios managed by Davy & St. James's Place. All funds are accessible at less than one week's notice.

Principal sources of income and how expenditure meets objectives

Principal funding sources are terms-of-trade levies collected on a voluntary basis by Northern Ireland processors of dairy, beef and sheep.

Reserves policy (including amount of reserves and why held, restricted funds, designated funds, free reserves against reserves policy)

The Trustees have established a policy whereby the company's 'Free' reserves, being funds not committed to third parties for research should represent at least 12 months management and administration costs. At this level, the Trustees are of the view that the company would be able to continue its activities in the event of a significant drop in funding. The level of reserves held at the year ended 31 March 2022 is £1,142,753.

In addition, in order to ensure continuity of operations, further reserves are held for the ongoing commissioning of research. AgriSearch works with other stakeholders to ensure maximum leverage of funds. Reserves held can vary depending on the timing of decisions made by co-funders. The Trustees consider that the present level of reserves adequately meets these combined objectives.

Risk factors

The Trustees are responsible for ensuring effective risk management, and that internal controls are in place to appropriately manage the risk exposure of AgriSearch. When reviewing risks the Board considers:

- the major risks to which AgriSearch is exposed;
- the potential impact and probability associated with each risk;
- existing internal controls and accountability # for them;
- mitigating actions needed to reduce each risk to a level that the Trustees considered to be acceptable.

The Trustees have drawn up a comprehensive and detailed risk register which is formally reviewed by the Trustees every year and is regularly monitored by the Office Bearers' Committee.

The major financial risks are each subject to ongoing monitoring and management. AgriSearch investments are regularly reviewed by the Office Bearers. Income and cost control are subject to detailed review and challenge on at least a bimonthly basis. An annual budget for non-project related expenditure for the forthcoming year is placed before the Trustees for approval before the start of each financial year. During the year a Financial Control Document was drawn up and adopted by the Trustees and is kept under regular review.

AgriSearch is reliant on the co-operation of dairy and red meat processors to collect producer levies on its behalf.

Plans for future periods (including aims and objectives to achieve)

- To undertake seven case studies / carbon management plans within the Beacon Farm Network
- To continue our involvement in Super-G (a Horizon 2020 Project on Permanent Grassland).
- To work with academic and research partners to lever funding for projects to utilise the Beacon Farm network
- To continue our involvement in the Resilience

for Dairy (R4D) Horizon 2020 Thematic network (including co-hosting the first face to face meeting and cross visit of the project in partnership with Teagasc)

- To continue our membership of and involvement in the Centre for Innovation Excellence in Livestock.
- To hold further K.E. events in collaboration with AFBI and CAFRE
- To increase the reach of our knowledge transfer programme through further on-farm events, seminars and increasing traffic to the website and social media.
- To further develop our communications and knowledge transfer strategy.
- To manage the delivery of three European Innovation Partnership projects.
- To participate in the building of further networks and consortia to pool resources, avoid the duplication of research and draw down external funding.
- To engage with DAERA to ensure a high priority is given to research and knowledge transfer and ensure co-ordination of research and knowledge transfer activities and maximize synergies.

STRUCTURE, GOVERNANCE AND MANAGEMENT

Nature of governing document and how charity is constituted

'AgriSearch' is the trading name for the Northern Ireland Agricultural Research & Development Council, a charitable company, limited by guarantee with no share capital. It is governed by its Memorandum and Articles of Association.

Methods to recruit and appoint new trustees

The Board of Trustees, who are also the Directors of the Charitable Company, are appointed by the Council. The Trustees appoint three Advisory Committees to consider and monitor appropriate research projects.

Nominations are received from the Ulster Farmers' Union for three farmer Trustees. On behalf of processors (who are levy collectors) DairyUK and NI Meat Exporters Association (NIMEA) nominate one trustee each.

Trustees' Annual Report

All aspects of farm husbandry are represented as far as possible and that there is widespread representation across Northern Ireland.

Additional independent Trustees are recruited who are not active farmers but have standing within the agricultural community and have experience of a commercial environment.

Three farmer Trustees are recruited independently with the aim of ensuring that relevant differing Members of the charity are approved at the AGM following nomination by the Trustees.

While nominations for Trustees are received from the Ulster Farmers' Union, DairyUK and NIMEA the final decision as to who to appoint is at the discretion of the members of the charity.

Indemnity provision for trustees

Every member of the Charity undertakes to contribute such amount as may be required (not exceeding £1) to the Charity's assets if it should be wound up while he or she is a member or within one year after he or she ceases to be a member, for payment of the Charity's debts and liabilities contracted before he or she ceases to be a member, and of the costs, charges and expenses of winding up, and for the adjustment of the rights of the contributories among themselves. Trustees are also covered by a management and corporate liability insurance policy.

Organisational structure and how the charity makes decisions

The Board of Trustees meets five times per year and each of the Advisory Committees meets when required to review funding and expenditure proposals. The Chairman, Vice-Chairman, Senior Vice-Chairman and the General Manager meet frequently to review the day to day operation and governance of the organisation.

The three advisory committees consist of farmer members, independent scientific advisors and representatives of the processing sectors. The Beef and Sheep Advisory Committees also have a representative from the Livestock and Meat Commission for NI. Their role is to identify and evaluate

research proposals and recommend projects to the Trustees.

Each committee includes one representative of College of Agriculture, Food and Rural Enterprise (CAFRE) in an advisory capacity.

The Trustees review all proposals from advisory committees, taking into account the finances of the organisation and the strategic direction before deciding to approve the recommendations or return them to the relevant committees for further consideration or rejection.

The advisory committees are made up as follows (as of 31st March 2022):

BEEF ADVISORY COMMITTEE

- Matthew Brownlee
- Arthur Callaghan
- Thomas Chambers
- Andrew Clarke
- John Egerton
- David Gibson
- Stephen Hennan
- Hugh McCollum –Chairman
- Pat McKay
- Thomas Moorehead
- John Payne
- Mark Scott (Non-voting CAFRE liaison)
- William Sherrard
- Ian Stevenson
- Alan Turkington

DAIRY ADVISORY COMMITTEE

- Robert Beck
- Claire Beckett
- Phillip Donaldson
- Neville Graham
- Ivor Lowry
- Robert Martin (Spa)
- Samantha McCarroll
- Alan McCay
- Samuel McElheran
- Don Morrow (Non-voting CAFRE liaison)
- James Purcell
- Thomas Steele - Chairman
- Gary Thompson – Vice Chairman
- Stewart Watson

SHEEP ADVISORY COMMITTEE

- Edward Adamson - Chairman
- Alistair Armstrong
- William Beattie
- Roger Bell
- Brian Cromie
- James Davison
- Nigel McLaughlin - Vice Chairman
- Brendan Kelly
- Kenneth Linton
- Mark Scott (Non-voting CAFRE liaison)
- Colin Smith
- Campbell Tweed

How decisions are made

Decisions are taken by the Board of Trustees which meets at least four times a year. Meeting papers which include an agenda, minutes of the previous meeting, General Manager's report, financial statements and details of any project proposals being considered for funding are circulated in advance of the meeting.

Policies and procedures for induction and training of trustees

New Trustees are provided with information about the role and about the Council as part of an application 'pack'. Following selection, new Trustees have an induction briefing from the Chairman and General Manager which provides information and guidelines on their tasks and responsibilities together with an outline of the objectives of AgriSearch. They also receive copies of past Trustee minutes and other corporate documentation.

Arrangements for setting pay and remuneration of key management

A remuneration committee is appointed by the Trustees and meets on annual basis to consider the remuneration of key management. Its recommendations are submitted to the Trustees for approval.

The remuneration committee is currently made up as follows:

- Wilbert Mayne (Chairman)
- Jo-Anne Dobson
- John Henning

A Disciplinary and Grievance Committee has also been established to review the employee handbook and if necessary act as an appeal panel for disciplinary and grievance issues.

The Disciplinary and Grievance Committee is currently made up as follows:

- Conall Donnelly (Chairman)
- Peter Morrow
- John Martin

Relationships with related parties and other charities/organisations with which it co-ordinates in the pursuit of its charitable objectives

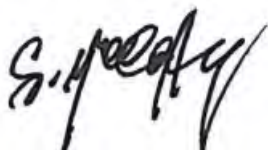
One Trustee, one member of the AgriSearch Sheep Advisory Committee, two members of the AgriSearch Dairy Advisory Committee and two members of the AgriSearch Beef Advisory Committee received payments during the financial year for activity undertaken as "farmer co-researchers" or "Beacon Farmers", these are detailed on page 39 under Related Party Transactions. Farmer co-researchers are appointed on-merit in consultation with the relevant lead scientist. Beacon Farmers were appointed on merit by an independent expert panel.

AgriSearch has a conflict of interest policy and each Trustee and Advisory Committee member is asked to complete a declaration of interests. In addition, declaration of conflicts of interest is a standing item at the top of the agenda for every meeting of Trustees.

The Charity has a relationship with Animal Health and Welfare Northern Ireland (AHWNI) a not-for-profit company limited by guarantee. AHWNI seeks to benefit livestock producers and processors by providing the knowledge, education and coordination required to establish effective control programmes for non-notifiable diseases of livestock. On behalf of AHWNI, AgriSearch collects levy at the rate of 10 pence per bovine slaughtered in Northern Ireland and also provides contingency funding for AHWNI's BVD eradication programme. This arrangement came to an end on 31st January 2022 with AHWNI collecting its own levy from that point on.

Trustees' Annual Report

AgriSearch also seeks to work with other levy organisations to share resources and avoid duplication of research and is currently involved in joint funding arrangements for one project with the Agricultural and Horticultural Development Board (AHDB) a statutory levy board.



Mr S McCaffrey
Trustee



Mr C J Henning
Trustee



Independent Auditor's Report

Independent Auditor's Report to the Members of
The Northern Ireland Agricultural Research and
Development Council T/A Agrisearch

OPINION

We have audited the financial statements of The Northern Ireland Agricultural Research and Development Council T/A Agrisearch (the 'charity') for the year ended 31 March 2022 which comprise the statement of financial activities (including income and expenditure account), statement of financial position, 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 FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the charity's affairs as at 31 March 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006 and the Charities Act (Northern Ireland) 2008.

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 charity in accordance with the ethical requirements that are relevant to our audit of the financial

statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have

obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate. Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue. Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information. 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.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the trustees' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- 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 the knowledge and understanding of the charity 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 the Companies Act 2006 and the Charities Act (Northern Ireland) 2008 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

Responsibilities of trustees

As explained more fully in the trustees' responsibilities statement, the trustees (who are also the directors 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 trustee 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 charity'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 charity 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.

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:

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with trustees and other management;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

Independent Auditor's Report

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 3 were indicative of potential bias.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance; and
- enquiring of management as to actual and potential litigation and claims.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of noncompliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

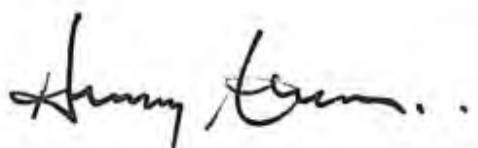
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the charity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the charity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

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

Use of our report

This report is made solely to the charity's members, as a body, in accordance with section 65 of the Charities Act (Northern Ireland) 2008. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.



Aubrey Campbell (Senior Statutory Auditor)

For and on behalf of
Aubrey Campbell & Company
Chartered accountants & statutory auditor
631 Lisburn Road
Belfast
BT9 7GT
28 November 2022



Financial Statements 2021/22

Statement of Financial Activities
(Including income and expenditure account)
for the year ended 31 March 2022

FINANCIAL ACTIVITIES		2022		2021
	Note	Unrestricted Funds £	Total Funds £	Total Funds £
Income and endowments				
Donations and legacies	5	832,118	832,118	853,946
Investment income	6	15,545	15,545	17,776
Total Income		847,663	847,663	871,722
Expenditure				
Expenditure on charitable activities	7,9	350,405	350,405	776,886
Total Expenditure		350,405	350,405	776,886
Net (losses)/gains on investments	11	(11,471)	(11,471)	(100,367)
Net income and net movement in funds		508,729	508,729	195,203
Reconciliation of funds				
Total funds brought forward		634,024	634,024	438,821
Total funds carried forward		1,142,753	1,142,753	634,024

The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities

The notes on pages 29 to 40 form part of these financial statements.

Financial Statements 2021/22

Statement of Financial Position

	Note	2022 £	2021 £
Fixed assets			
Tangible fixed assets	16	3,568	3,703
Investments	17	718,329	693,057
		<u>721,897</u>	<u>696,760</u>
Current assets			
Debtors	18	327,843	426,735
Cash at bank and in hand		533,918	344,871
		<u>861,761</u>	<u>771,606</u>
Creditors: amounts falling within one year	19	402,826	756,186
Net current assets		<u>458,935</u>	<u>15,420</u>
Total assets less current liabilities		1,180,832	712,180
Creditors: amounts falling due after more than one year	20	38,079	78,156
Net assets		<u>1,142,753</u>	<u>634,024</u>
Funds of the charity			
Unrestricted funds		1,142,753	634,024
Total charity funds	22	1,142,753	634,024

These financial statements were approved by the board of trustees and authorised for issue on the 9th December 2022, and are signed on behalf of the board by:



Mr S McCaffrey
Trustee



Mr C J Henning
Trustee

Statement of Cash Flows

	2022 £	2021 £
Cash flows from operating activities		
Net income	508,729	195,203
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	1,813	2,022
Net (losses)/gains on investments	(11,472)	(100,366)
Dividends, interest and rents from investments	(15,447)	(17,653)
Other interest receivable and similar income	(98)	(123)
Accrued (income)/expenses	(72,298)	62,820
<i>Changes in:</i>		
Trade and other debtors	98,892	(90,772)
Trade and other creditors	(321,139)	39,683
Cash generated from operations	188,980	90,814
Interest received	98	123
Net cash used in operating activities	189,078	90,937
Cash flows from investing activities		
Dividends, interest and rents from investments	15,447	17,653
Purchase of tangible assets	(1,678)	(2,234)
Purchases of other investments	(446,168)	(5,492)
Proceeds from sale of other investments	432,368	--
Net cash from investing activities	(31)	9,927
Net decrease in cash and cash equivalents	189,047	100,864
Cash and cash equivalents at beginning of year	344,871	244,007
Cash and cash equivalents at end of year	533,918	344,871

Notes to the Financial Statements

1. GENERAL INFORMATION

The charity is a public benefit entity and a private company limited by guarantee, registered in Northern Ireland and a registered charity in Northern Ireland. The address of the registered office is Innovation Centre, Large Park, Hillsborough, Co. Down, BT26 6DR, Northern Ireland.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', the Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP (FRS 102)) and the Companies Act 2006.

3. ACCOUNTING POLICIES

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through income or expenditure.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

There are no material uncertainties about the charity's ability to continue.

Judgements and key sources of estimation uncertainty

In the application of the Charity's accounting policies, the Trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the

estimate is revised where the revision affects only that period, or in the period of the revision and future periods were the revision affects both current and future periods.

Fund accounting

Unrestricted funds are available for use at the discretion of the trustees to further any of the charity's purposes.

Designated funds are unrestricted funds earmarked by the trustees for particular future project or commitment.

Restricted funds are subjected to restrictions on their expenditure declared by the donor or through the terms of an appeal, and fall into one of two sub-classes: restricted income funds or endowment funds.

Incoming resources

Incoming is recognised when the Charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

The levy rates charged to the producers are as follows:

Milk 0.02p per litre
Beef 40p per head
Sheep 5p per head

Levy rates have not changed since 2014.

Cash donations are recognised on receipt. Other donations are recognised once the Charity has been notified of the donation, unless performance conditions require deferral of the amount.

Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the Charity has been notified of an impending distribution, the amount is known and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Resources expended

All expenditure is accounted for on an accrual basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably.

Grants payable to third parties are within charitable objectives. Where unconditional grants are offered, this is accrued as soon as the recipient is notified of the grant, as this gives rise to a reasonable expectation that the recipient will receive grants.

Expenditure on charitable activities includes costs undertaken to further the purposes of the charity.

Support costs are those functions that assist the work of the charity but do not directly undertake charitable activities. Support costs include office costs, management charges and governance costs which support the Council's activities. These costs have been allocated to charitable activities.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other recognised gains and losses, unless it reverses a charge for impairment that has previously been recognised as expenditure within the statement of financial activities. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other

recognised gains and losses, except to which it offsets any previous revaluation gain, in which case the loss is shown within other recognised gains and losses on the statement of financial activities.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Fixtures and fittings - 20% straight line

IT Equipment - 20% straight line

Investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Changes in fair value are recognised in net income/(expenditure) for the year. Transaction costs are expensed as incurred.

Investments in associates

Investments in associates accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in associates accounted for in accordance with the fair value model are initially recorded at the transaction price. At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the associate arising before or after the date of acquisition.

Investments in joint ventures

Investments in jointly controlled entities accounted for in accordance with the cost model are recorded at cost less any accumulated impairment losses.

Investments in jointly controlled entities accounted for in accordance with the fair value model are initially recorded at the transaction price.

Notes to the Financial Statements

At each reporting date, the investments are measured at fair value, with changes in fair value taken through income or expenditure. Where it is impracticable to measure fair value reliably without undue cost or effort, the cost model will be adopted.

Dividends and other distributions received from the investment are recognised as income without regard to whether the distributions are from accumulated profits of the joint venture arising before or after the date of acquisition.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the charity are assigned to those units.

Financial instruments

A financial asset or a financial liability is recognised only when the charity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the amount receivable or payable including any related transaction costs.

Current assets and current liabilities are subsequently measured at the cash or other consideration expected to be paid or received and not discounted.

Debt instruments are subsequently measured at amortised cost.

Where investments in shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in income and expenditure. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in the statement of financial activities, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised under the appropriate heading in the statement of financial activities in which the initial gain was recognised.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as an expense in the period in which it arises.

5. Donations and legacies

Donations

Donations and gifts

Grants

Grants receivable

Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

4. LIMITED BY GUARANTEE

The company, being a company limited by guarantee, does not have share capital. The liability of members of the company is limited to £1 per member.

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Donations and gifts	502,779	502,779	502,060	502,060
Grants receivable	329,339	329,339	351,886	351,886
	832,118	832,118	853,946	853,946

	2022 £	2021 £
Donations and gifts		
Milk levy	335,117	314,492
Beef levy	114,474	123,388
Sheep levy	22,595	23,051
AHWNI	30,593	41,129
	502,779	502,060
Grants for Core Activities		
DAERA Research Challenge Fund	275,473	298,197
EU Horizon 2020	53,866	53,689
	329,339	351,886

Agrisearch collects funds for AHWNl which are then paid across to AHWNl. These funds have been included with income and expenditure in the financial statements. This agreement has ended as at March 2022 and the funds are now paid directly to AHWNl from the Levy Bodies.

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6. Investment income

	Unrestricted Funds	Total Funds 2022	Unrestricted Funds	Total Funds 2021
	£	£	£	£
Income from other investments	15,447	15,447	17,653	17,653
Other interest receivable	98	98	123	123
	15,545	15,545	17,776	17,776

7. Expenditure on charitable activities by fund type

Research and development in the agricultural industry.	294,112	294,112	723,275	723,275
Support costs	56,293	56,293	53,611	53,611
	350,405	350,405	776,886	776,886

	2022	2021
	£	£
Staff costs	111,079	100,658
Legal and professional fees	9,000	–
Dissemination fees	13,934	9,301
AHWNl funding	30,593	41,129
	164,606	151,088
Grant funding activities	129,506	572,187
Share of support costs	49,198	44,876
Share of governance costs	7,095	8,735
Unrestricted fund	350,405	776,886

8. Reconciliation of project commitments

	2022	2021
	£	£
Grants to institutions		
Opening commitments	640,959	631,376
Agri-Food & Biosciences Institute	85,240	311,522
(Decreased)/Increased project in year	(132,964)	(186,528)
Paid during the year	(222,582)	(115,411)
	370,653	640,959

9. Expenditure on charitable activities by activity type

	Activities under-taken directly £	Support costs £	Total Funds 2022 £	Total Funds 2021 £
Research and development in the agricultural industry	294,112	49,198	343,310	768,151
Governance costs	--	7,095	7,095	8,735
	294,112	56,293	350,405	776,886

10. Analysis of support costs

	Analysis of support costs activity 1 £	Total 2022 £	Total 2021 £
Staff costs	28,939	28,939	25,262
Premises	6,003	6,003	5,629
Communications and IT	2,860	2,860	2,073
General office	1,571	1,571	871
Finance costs	5,263	5,263	6,310
Governance costs	7,095	7,095	8,735
Support costs - depreciation	1,813	1,813	2,022
Support costs - other costs	2,749	2,749	1,592
Support costs - VAT	--	--	1,177
	56,293	56,293	53,611

11. Net gains on investments

	Unrestricted Funds £	Total Funds 2022 £	Unrestricted Funds £	Total Funds 2021 £
Gains/(Losses) on other investment assets	11,471	11,471	100,367	100,367

12. Net income

Net income is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	1,813	2,022

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13. Auditors remuneration

	2022	2021
	£	£
Fees payable for the audit of the financial statements	5,000	3,000

14. Staff costs

The total staff costs and employee benefits for the reporting period are analysed as follows:

	2022	2021
	£	£
Wages and salaries	130,058	118,115
Social security costs	7,347	5,423
Employer contributions to pension plans	2,613	2,382
	140,018	125,920

The average head count of employees during the year was 5 (2021: 5). The average number of full-time equivalent employees during the year is analysed as follows:

	2022	2021
	No.	No.
General Manager	1	1
Project Officer	1	1
Finance Officer	1	1
Research Manager	1	1
Field Officer	1	1
	5	5

No employee received employee benefits of more than £60,000 during the year (2021: Nil).

15. Trustee remuneration and expenses

None of the Trustees (or any persons connected with them) received any remuneration during the year (2021: £Nil). Trustees were reimbursed travel expenditure totalling £202 (2021: £nil) and in addition, one trustee received £2,000 (2021: £700) for taking part in the GrassCheck project.

16. Tangible fixed assets

	Fixtures and fittings £	IT Equipment £	Total £
Cost			
At April 2021	3,675	7,479	11,154
Additions	--	1,678	1,678
At March 2022	3,675	9,157	12,832
Depreciation			
At April 2021	1,850	5,601	7,451
Charge for the year	680	1,133	1,813
At March 2022	2,530	6,734	9,264
Carrying amount			
At 31 March 2022	1,145	2,423	3,568
At 31 March 2021	1,825	1,878	3,703

17. Investments

	Other Investments £
Cost or valuation	
At April 2021	693,057
Additions	446,168
Disposals	(432,368)
Fair value movements	11,472
At 31 March 2022	718,329
Impairment	
At 1 April 2021 and 31 March 2022	--
Carrying amount	
At 31 March 2022	718,329
At 31 March 2021	693,057

All investments shown above are held at valuation.

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18. Debtors

	2022	2021
	£	£
Trade debtors	154,350	177,060
Prepayments and accrued income	173,493	249,675
	<u>327,843</u>	<u>426,735</u>

19. Creditors: amounts falling within one year

	2022	2021
	£	£
Trade creditors	39,026	78,240
Accruals and deferred income	15,121	87,419
Social security and other taxes	2,118	2,885
Other creditors	346,561	587,642
	<u>402,826</u>	<u>756,186</u>

20. Creditors: amounts falling due after more than one year

	2022	2021
	£	£
Other creditors	38,079	78,156

21. Pensions and other post retirement benefits

Defined contribution plans

The amount recognised in income or expenditure as an expense in relation to defined contribution plans was £2,613 (2021: £2,382).

22. Analysis of charitable funds

Unrestricted funds

	At 1 April 2021 £	Income £	Expenditure £	Gains and losses £	At 31 March 2022 £
General funds	634,024	847,663	(350,405)	11,471	1,142,753

	At 1 April 2020 £	Income £	Expenditure £	Gains and losses £	At 31 March 2022 £
General funds	438,821	871,722	(776,886)	100,367	634,024

23. Analysis of net assets between funds

	Unrestricted Funds £	Total Funds 2022 £
Tangible fixed assets	3,568	3,568
Investments	718,329	718,329
Current assets	861,761	861,761
Creditors less than 1 year	(402,826)	(402,826)
Creditors greater than 1 year	(38,079)	(38,079)
Net assets	1,142,753	1,142,753

	Unrestricted Funds £	Total Funds 2021 £
Tangible fixed assets	3,703	3,703
Investments	693,057	693,057
Current assets	771,606	771,606
Creditors less than 1 year	(756,186)	(756,186)
Creditors greater than 1 year	(78,156)	(78,156)
Net assets	634,024	634,024

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24. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2022	2021
	£	£
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	154,350	177,060
Financial assets that are equity instruments measured at cost less impairment		
Financial assets that are equity instruments measured at cost less impairment	718,329	693,058
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	438,787	831,459

25. Analysis of changes in net debt

	At 1 Apr	Cash flows	At 31 March
	£	£	2022 £
Cash at bank and in hand	344,871	189,047	533,918

26. Operating lease commitments

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2022	2021
	£	£
Not later than 1 year	3,492	--
Later than 1 year but not later than 5 years	10,476	--
	13,968	--

27. Limitation of auditors liability

The company has entered into a liability limitation agreement with its auditor, Aubrey Campbell and Company, on the following basis:

(a) the maximum aggregate amount of the auditor's liability to the company shall not exceed the sum of five times the fees payable (excluding expenses and value added tax) under the engagement letter agreed for the financial period, or £30,000, whichever is the lesser amount.

(b) the agreement was passed by a resolution of the company's trustees on 05th August 2021.

Limited, who provide services to the charity within the terms of their charitable activities. Countryside Services Ltd was paid a total of £1,054 (2021: £2,400) and CIELivestock Limited was paid a total of £1,200 (2021: £600).

John Henning and Jason Rankin are also directors of Royal Ulster Agricultural Society (RUAS).

28. Related parties

During the year there were members of the Agrisearch advisory committees and Board of Trustees who were involved as farmer co-researchers in projects which Agrisearch co-funded. The advisory committees are in place to review funding and expenditure proposals.

A total of £6,700 (2021: £5,040) was paid out to one member of the Beef advisory committee, one member of the Dairy advisory committee and one member of the Sheep advisory committee.

One member of the Sheep advisory committee and one member of the Beef advisory committee sit on the board of AHWNI. Agrisearch collected levies of £35,089 (2021: £41,129) on behalf of AHWNI and made payments of £35,089 (2021: £41,129) to AHWNI during the year. The balance owing to AHWNI at the year end was £11,424 (2021: £9,612).

John Henning, Chairman of Agrisearch is also a director of Countryside Services Ltd and CIELivestock



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