

Annual Report 2020/21

Driving Excellence
and Innovation



Legal & Administrative Information

Trustees

Andrew Wilson (Resigned 30 November 2020)
Conall Donnelly
David Rea (Appointed 27 April 2020)
Fred Allen (Resigned 27 April 2020)
Jo-Anne Dobson
John Henning
John Martin
Ivor Ferguson (Appointed 30 November 2020)
Peter Morrow
Martyn Blair
Seamus McCaffrey
Val McConnell
Wilbert Mayne

Secretary

Jason Rankin

Charity Number

NIC102341

Company Number

NI035855

Registered Office Innovation Centre

Large Park
Hillsborough
Co. Down
BT26 6DR

Auditor

Aubrey Campbell & Co
631 Lisburn Road
Belfast BT9 7GT

Bankers

Ulster Bank Ltd
22 Frances Street
Newtownards
Co. Down BT23 7DP

Danske Bank
Donegal Square West
Belfast BT71 6JS

Solicitors

J McKee & Sons
The Linenhall
32-38 Linenhall Street
Belfast BT2 8BG

Advisors

Beef Advisory Committee

Matthew Brownlee
Arthur Callaghan
Graeme Campbell (Non-voting CAFRE liaison)
Thomas Chambers
Sam Chesney - Chairman
Andrew Clarke
John Egerton
Ray Elkin
David Gibson
George McAuley
Hugh McCollum - Vice Chairman
Nigel McLaughlin
John Payne
William Sherrard
Ian Stevenson
Alan Turkington

Dairy Advisory Committee

Robert Beck
Claire Beckett
Phillip Donaldson
Neville Graham
Adrian Houston
Laura Kennedy
Andrew Magowan
Robert Martin (Carryduff)
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
Graeme Campbell (Non-voting CAFRE liaison)
Brian Cromie
James Davison
Nigel McLaughlin - Vice Chairman
Brendan Kelly
Kenneth Linton
Colin Smith
Campbell Tweed
David Wallace

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A tractor is visible in the background, working in a field of green crops under a blue sky with scattered clouds. The tractor is positioned on the right side of the image, partially obscured by the crops.

Chairman's Report

Chairman 2020-21

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 funded by our levy income. Through leveraging external funding and working with partners we have now seen total research spend over the past 20+ years exceed £62m.

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 and our ability to work with many partners including AFBI, AHDB, CIEL, DAERA, IGFS, and others to deliver for the ruminant livestock sector.

During 2020/21 we generated levy income of £464,180 from beef, dairy and sheep farmers and during the year commissioned six new research projects costing £143,366 with further funding of £3,894,424 sought from the EU, DAERA and other partners.

Like all organisations AgriSearch had to adapt to new ways of working in response to the Covid-19 pandemic. This included moving all our knowledge exchange activities into the digital realm. This included a number of very successful webinars run as part of an EIT-Food project in conjunction with Queen's University, ABP and other industry partners.

Staff continue to play a key role in the success of AgriSearch and in 2020/21 we appreciated the achievements of Jason Rankin, ably supported by Jillian Hoy, Denise Aiken, Sarah Brown and Kerry Given. On behalf of AgriSearch we thank each for their contribution.

In April 2020 I took over the Chairmanship from John Henning who moved into the role of Senior Vice-Chairman. Peter Morrow was appointed



Vice-Chairman. I would like to thank John and Peter for their invaluable assistance. At the AGM in November 2019 Ivor Ferguson joined the board replacing Andrew Wilson who stepped down. I would like to thank Andrew for his contribution to the Board.

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.

During the year AgriSearch embarked on a major strategic review of our research, development and knowledge exchange activities to ensure we are fit for purpose in a changing landscape for farming and food. As a result a Beacon Farm Network was established which will provide a structured, intentional and semi-permanent farm network which can be used for research. The aims and objectives of this network are to:

- Deliver a targeted programme approach
- Demonstrate the latest farming systems that deliver for people, plant and profit
- Drive cultural change
- Allow for consistency and longevity in on-farm research
- Enable farmers to influence agenda and research

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



General Manager's Report

Jason Rankin

General Manager, AgriSearch

A year of change

As reported in our last annual report, at the start of the 2020/21 financial year AgriSearch found itself at a crossroads. To date we have sought to maximise leveraged funding, however, many of the funding sources we have successfully availed of in the past have come to an end. Those funding sources that remain tend to either be focused on government policy needs or on the development of new commercial products and services and less oriented to the kind of farming systems research we are interested in. Since 1997 there has been no increase in dairy and sheep levy and only one increase in beef levy. The cost of livestock research has increased significantly and costs for a production study at AFBI Hillsborough can run well into seven figures and as a result we found ourselves making only a token investment in such work.

The landscape in food and farming has changed rapidly and AgriSearch needs to change alongside it. With this in mind, AgriSearch undertook a wide-ranging review of its research and development and knowledge exchange strategy to ensure that its work programme remains focused and relevant, and that it continues to deliver value for money for its farmer levy payers.

During the process of this review we engaged with our advisory committees, levy collectors, UFU and the wider industry as well as conducting a farmer survey. I would like to thank all who engaged in this process and in particular, Professor Nigel Scollan for convening an outstanding group of experts who helped us greatly in our deliberations.

The conclusions of this review were:

- AgriSearch needs to continue to play to its core strengths – facilitating and disseminating on-farm research
- A need for long-term thinking – too many short-term research projects unable to monitor the impacts over time
- A need to be more selective – targeted

programme approach

- A need to be more holistic – research at farm system level not process level
- A need to become more focused on farm-level response to economic, environmental and societal challenges
- A need for science to provide evidence of the ecosystem services that are being delivered by farming for society
- Effective partnerships are key to AgriSearch's success

Beacon Farm Network



A core element of the new strategy was the establishment of a Beacon Farm Network; a structured, intentional and semi-permanent farm network in Northern Ireland. The Network aims to gather evidence for research into sustainable livestock farming systems that deliver for people, planet and profit.

Over the initial 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 the platform for a range of other research projects and initiatives – a targeted 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.



DAERA Minister Edwin Poots at the launch of the Beacon Farm Network on Harold Johnston's Farm

A call for applications for Beacon Farms was launched in December 2020 with almost 100 applications received. 51 farmers were appointed in the first phase of the project which formally began on 1st April 2021.

The Beacon farms selected represent the whole province and cover the full range of ruminant farming systems.

Research Funding Streams

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 2020/21 was £464,180 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.

During 2020/21 AgriSearch commissioned 12 projects totalling £143,366 on the basis

that complimentary funding in the region of £3,894,424 would be sought from the European Union, Department of Agriculture, Environment and Rural Affairs and other sources. I would like to acknowledge the help and assistance of our academic partners without whom this would not have been possible. This now brings the total value of research commissioned by/participated in by AgriSearch to over £62M.

The projects commenced during 2020/21 can be found on page 11.

European Innovation Partnerships

In April 2020 DAERA launched the Northern Ireland European Innovation Partnerships (EIP) Scheme. EIP projects bring together expertise such as advisers, researchers and businesses to work in partnership with farmers to consider how practical solutions might be developed to address a particular problem or opportunity for the agri-food industry.

Funding was available in 2 stages. Initial Stage 1 funding was available to help bring together expertise as Operational Groups to consider how to develop practical solutions to a particular problem or opportunity facing farmers. Stage 2 funding was then available to enable the groups to deliver their innovative projects.

AgriSearch submitted seven stage 1 applications of which four were successful.

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

AgriSearch was also involved in a fifth stage one application called ARCZero (Accelerating Ruminant Carbon Zero) which was led by John Gilliland. This application was also successful.

All of these EIP groups submitted an application for second stage funding (with the exception of Suckler Twinning where after investigation of the options it was felt that this technology was still too risky to trial on commercial farms). All four of the stage 2 applications AgriSearch were involved in (either as lead or as partner) where successful in being awarded funding.

I would like to express my appreciation to all the partners involved in these projects who have given freely of their time. The level of enthusiasm of the farmers and scientists involved (from Queen's University and AFBI) has been remarkable.

SUPER-G



Developing sustainable permanent grassland systems and policies. 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)



Following on from the EuroDairy project (completed January 2019), which received positive feedback from DG Agri, a consortium was formed to take forward a bid for a new EU Horizon 2020 "Thematic Network". This project is entitled "Resilience for Dairy" (R4D) and includes 17 partners from 15 countries.

The application was successful and the project started on 1st January 2021.

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

Building on EuroDairy Experience R4D will use and add to the outputs of EuroDairy, the Interreg project Dairy4Future and the EIP-AGRI Focus Group on robust and resilient dairy production systems, with relevant knowledge coming from a set of dairy EIP-AGRI Operational Groups and other European projects. R4D will also tackle new emerging issues from recent years like circular economy or feed/food competition. R4D will put a greater emphasis on:

- i) translating and adapting the relevant solutions into easy-to understand Best-Practices as well as on
- ii) education and training: teaching, demonstrating, testing methods to improve socio-economic resilience (like Lean management approach for agriculture) with future farmers in

agricultural schools and farm advisers.

R4D will in particular build on EuroDairy's Multi-Actor Approach with a strong involvement of farmers, farmers organisations, advisory services, researchers, economic actors of the dairy industry and policy makers.

Covid-19

Like all organisations AgriSearch had to adapt to the Covid-19 pandemic. As AgriSearch's IT systems are cloud based the transition to home working was smooth. This has resulted in some savings in office costs such as stationary and postage.

We were, however, obviously unable to hold any physical meetings or knowledge exchange events (such as Farm Walks or our regular stand at the RUAS Winter Fair) during the year and switched to virtual events instead. This resulted in a significant drop in dissemination expenditure.

EIT Food - Focus on Farmers

AgriSearch was engaged as a sub-contractor to Queen's University in a EIT Food project called "Focus on Farmers". The other partners in the project were ABP and Reading University. A series of six webinars were held during summer and autumn 2020. These webinars featured a range of leading scientists and experts as well as regular input from two ambassador farmers Sam Chesney from County Down and James Evans from Shropshire.

The themes for the webinar series were:

1. Ambassador Farmer Introductions
2. Optimising Beef Production from Grassland
3. Soil Health & Multi-Species Swards
4. Accelerating our journey to carbon neutrality
5. Animal Health and Welfare
6. Lost on the journey – does eating quality of beef matter

The webinars grew steadily in popularity with the final one attracting 240 live views. Following on from this success it was decided to hold an extra "Christmas Special" webinar on 14th December on the theme "Productivity: The silver bullet to net zero carbon". This webinar was chaired by Jonathan Birnie and featured four high profile speakers: Sir Peter Kendall, Nick Whelan, Stuart Roberts and Victor Chestnutt. This webinar attracted well over 300 live views. At time of writing the recordings

of these webinars have been watched over 1,700 times on YouTube.

Knowledge Exchange

As previously mentioned due to the Covid-19 pandemic AgriSearch was unable to hold any physical dissemination events during the year and instead switched to digital events and resources. In addition to the aforementioned EIT Food webinars these activities included:

- In place of our usual GrassCheck farm walks we produced a series of six podcasts over the grazing season. These podcasts have been downloaded over 3,000 times.
- 40 videos were uploaded to YouTube and our social media platforms.
- A farmers booklet on the use of home-grown proteins in dairy cow diets was also published. Following on from this a joint webinar was held with CAFRE, AFBI and DAERA on this topic.
- AgriSearch along with the other STAMP project partners hosted a webinar for AVSPNI to demonstrate the STAMP farm level antimicrobial use benchmarking tool which is now complete.
- AgriSearch also participated in an RSPB webinar in February 2021.
- AgriSearch also hosted the Ulster Grassland Society's Annual Conference (which was held over two evenings) on its zoom webinar platform.

Staffing

In June 2020 Sarah Brown took up the Super-G Project Officer post. In addition, Kerry Given, a Harper Adams student, joined us in July 2020 on a one-year placement to work on the Tempergene farmer survey and to assist with our knowledge exchange activities. Kerry finished her placement on 30th June 2021 and has been replaced by Rachel Knox, a Queen's University student.

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 Dunbia, AHDB, Sheep Ireland, 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 particularly like to acknowledge the ongoing support of Nigel Scollan, Eric Morgan, Chris McFarland, Ann McMahon and Stephane Durand at Queen's University Belfast and Debbie McConnell, 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, Kerry Given and Rachel Knox. 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 research, development 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 eco-systems services (e.g. carbon sequestration) to meet these challenges.

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 zero" 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.

Projects Commissioned by AgriSearch between 1 April 2020 and 31 March 2021

Evaluating the use of automated infrared thermography for early detection of disease and infection in dairy cattle

Resilience for Dairy - EU Horizon 2020

Influence of farm hygiene standards and management practices on Johne's disease progression in selected Northern Ireland dairy herds

iTEMiD (Project Extension)

EIT Beef - Focus on Farmers

Hills and Uplands for Beef & Sheep

European Innovation Partnership Projects

- **MSS for Beef & Sheep (Stage 1 & 2)**
 - **Anthelmintic TST (Stage 1 & 2)**
 - **Leatherjacket Mitigation Strategies (Stage 1 & 2)**
 - **ARCZero (Stage 1 & 2)**
 - **Suckler Twinning (Stage 1 only)**
-

GrassCheck 2021

Trustees' Annual Report

Incorporating the Director's Report for the year ended 31 March 2021

The trustees; who are also the directors for the purposes of company law, present their report and the financial statements of the charity for the year ended 31 March 2021.

The accounts have been prepared in accordance with the accounting policies set out in note 3 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)"

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.

Three farmer Trustees are recruited independently with the aim of ensuring that relevant differing 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.

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 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 ViceChairman and the General Manager meet

frequently to review the day to day operation and governance of the organisation.

The three advisory committees are made up 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.

ADVISORY COMMITTEES (as of 31st March 2021)

Beef Advisory Committee

Matthew Brownlee
Arthur Callaghan
Graeme Campbell (Non-voting CAFRE liaison)
Thomas Chambers
Sam Chesney - Chairman
Andrew Clarke
John Egerton
Ray Elkin
David Gibson
George McAuley
Hugh McCollum - Vice Chairman
Nigel McLaughlin
John Payne
William Sherrard
Ian Stevenson
Alan Turkington

Dairy Advisory Committee

Robert Beck
Claire Beckett
Phillip Donaldson
Neville Graham
Adrian Houston
Laura Kennedy
Andrew Magowan
Robert Martin (Carryduff)
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
Graeme Campbell (Non-voting CAFRE liaison)
Brian Cromie
James Davison
Nigel McLaughlin - Vice Chairman
Brendan Kelly
Kenneth Linton
Colin Smith
Campbell Tweed
David Wallace

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 an 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, one member 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", these are detailed on page 38 under Related Party Transactions. Farmer co-researchers are appointed on-merit in consultation with the relevant lead scientist.

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.

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.

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 the 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 foot print.

- 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, AgriSearch has 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 gain leverage of our limited levy funds to achieve much greater impact than 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 lever 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.
- 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 conduct a comprehensive review of AgriSearch's strategy (including engagement with farmer levy payers, levy collectors and other key stakeholders).
- To continue our involvement in Super-G (a Horizon 2020 Project on Permanent Grassland).
- To commission the Resilience for Dairy (R4D) Horizon 2020 Thematic network.
- 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 seek to collaborate (where appropriate) with

local industry in projects co-funded through the AgriFood Quest Competence Centre.

- 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 maximise 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.

The trustees confirm that they have had due regard for the guidance produced on public benefit by the Charity Commission for Northern Ireland and are pleased to report that during the period the charitable company has continued to provide public benefits through the programmes and services we offer.

Strategic report

The following sections for achievements and performance and financial review form the strategic report of the charity.

ACHIEVEMENTS AND PERFORMANCE

Summary of main achievements

- Commissioned 11 new research projects
- Successfully applied for funding for four first stage European Innovation Partnership projects
- Completed a comprehensive review of AgriSearch's strategy and future direction
- Continued involvement in SUPER-G (a Horizon 2020 project) including the establishment of multispecies swards on 8 farms
- Website continuously updated along with use of social media
- Held seven 'Focus on Farmers' webinars on beef production as part of an EIT-Food project with Queen's University Belfast, ABP and Reading University
- Produced 8 GrassCheck Podcasts
- Successfully applied for funding for three second stage European Innovation Partnership projects
- Recruited 51 farmers to participate in a Beacon Farm Network
- Commenced work on 'Resilience for Dairy' (R4D) a new Horizon 2020 Thematic Network
- Held a webinar, in conjunction with AFBI,

CAFRE and DAERA, on home grown proteins in dairy cow diets

- Published a booklet on the use of home grown proteins in dairy cow diets
- Held a webinar for practicing farm vets to brief them on the new STAMP Antimicrobial Use Benchmarking Tool

Investment performance against objectives

Cash flow and reallocation of funds between accounts has been managed to maximise the limited returns available on deposit accounts. The Danske Bank (Davy) managed portfolio has returned satisfactory performance with a return of 16.4% this year. The St. James's Place managed portfolio has also returned satisfactory performance with a return of 24.9% this year. It should be noted that these high returns for 2020/21 include a rebound from the very depressed levels of the previous year due to the Covid-19 pandemic and as such it is expected that this level of returns will not be maintained. 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

AgriSearch continues to be successful at leveraging a significant amount of funding from government and other sources. However, 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 9 successful knowledge exchange events. With the constraints of the COVID-19 pandemic it was not possible to hold any physical 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 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.

FINANCIAL REVIEW

Review of the financial position at the end of the reporting period

The statement of financial activities for the year is set out on page 22 of this report. The net movement in funds for the financial year is net resources received of £195,203 (2020: net resources received of £98,566). During the year AgriSearch agreed to fund 15 projects totalling £143,366 on the basis that complementary funding in the region of £3,894,424 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 £8.7M.

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. Funds invested 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

Investment Policy and Objectives

The overall investment policy is low risk. During the 2020-21 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

Principle 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 2021 is £643,024. 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

- To complete carbon benchmarking of 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 the recruitment of 6 pilot farmers)
- To manage the delivery of three second stage 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 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 maximise synergies

Trustees' Responsibilities Statement

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

Company law requires the charity trustees to prepare financial statements for each year which give a true and fair view of the state of affairs of

the charitable company and the incoming resources and application of resources, including the income and expenditure, for that period.

In preparing these financial statements, the trustees are required to:

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

The trustees are responsible for keeping adequate

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

Auditor

Each of the persons who is a trustee at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the charity's auditor is unaware; and
- they have taken all steps that they ought to have taken as a trustee to make themselves aware of any relevant audit information and to establish that the charity's auditor is aware of that information.

The trustees' annual report and the strategic report were approved on 13th September 2021 and signed on behalf of the board of trustees by:



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 for the year ended 31 March 2021

OPINION

We have audited the financial statements of The Northern Ireland Agricultural Research and Development Council T/A Agriseach (the 'charity') for the year ended 31 March 2021 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 2021 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 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 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:

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.
-

Independent Auditor's Report

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:

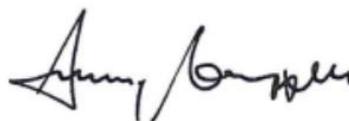
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting 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 Accountants Limited
Chartered Accountants & Statutory Auditor



Financial Statements 2020/21

Statement of Financial Activities
(Including income and expenditure account)
for the year ended 31 March 2021

FINANCIAL ACTIVITIES	notes	2021		2020
		Unrestricted Funds	Total Funds	Total Funds
		£	£	£
Income and endowments				
Donations and legacies	5	853,946	853,946	636,417
Investment Income	6	17,776	17,776	24,421
Total Income		871,722	871,722	660,838
Expenditure				
Expenditure on charitable activities	7,9	(776,886)	(776,886)	(501,333)
Total Expenditure		(776,886)	(776,886)	(501,333)
Net (losses)/gains on investments	11	100,367	100,367	60,939
Net income and net movement in funds		195,203	195,203	98,566
Reconciliation of funds				
Total funds brought forward		438,821	438,821	340,255
Total funds carried forward		634,024	634,024	438,821

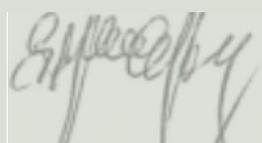
The statement of financial activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The notes on pages 26 to 41 form part of these financial statements

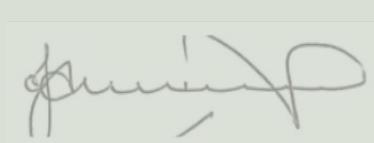
Statement of
Financial Position

	Note	2021 £	2020 £
Fixed assets			
Tangible fixed assets	16	3,703	3,491
Investments	17	639,057	587,199
		<u>696,760</u>	<u>590,690</u>
Current assets			
Debtors	18	426,735	335,963
Cash at bank and in hand		344,871	244,007
		<u>771,606</u>	<u>579,970</u>
Creditors: amounts falling due within one year	19	756,186	506,722
Net current assets		<u>15,420</u>	<u>73,248</u>
Total assets less current liabilities		712,180	663,938
Creditors: amounts falling due after more than one year	20	78,156	225,117
Net assets		<u>634,024</u>	<u>438,821</u>
Funds of the charity			
Unrestricted funds		634,024	438,821
Total charity funds	22	634,024	438,821

These financial statements were approved by the board of trustees and authorised for issue on 13th September 2021, and are signed on behalf of the board by:



Mr S McCaffrey
Trustee



Mr C J Henning
Trustee

Statement of Cash Flows

	2021	2020
	£	£
Cash flows from operating activities		
Net income	195,203	98,566
<i>Adjustments for:</i>		
Depreciation of tangible fixed assets	2,022	1,687
Net (losses)/gains on investments	(100,366)	60,939
Dividends, interest and rents from investments	(17,653)	(23,563)
Other interest receivable and similar income	(123)	(858)
Accrued (income)/expenses	62,820	(94,428)
<i>Changes in:</i>		
Trade and other debtors	(90,772)	8,633
Trade and other creditors	39,683	(80,156)
Cash generated from operations	90,814	(29,180)
Interest received	123	858
Net cash used in operating activities	90,937	(28,322)
Cash flows from investing activities		
Dividends, interest and rents from investments	17,653	23,563
Purchase of tangible assets	(2,234)	(1,036)
Purchase of other investments	(5,492)	(203,789)
Proceeds from sale of other investments	--	203,780
Net cash from investing activities	9,927	22,518
Net decrease in cash and cash equivalents	100,864	(5,804)
Cash and cash equivalents at beginning of year	244,007	249,811
Cash and cash equivalents at end of year	344,871	244,007

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 where 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.

Tangible 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.

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. 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

Impaired of fixed assets

A review 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.

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.

5. Donations and legacies

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Donations				
Donations and gifts	502,060	502,060	458,835	458,835
Grants				
Grants receivable	351,886	351,886	177,582	177,582
	853,946	853,946	636,417	636,417
			2021	2020
			£	£
Donations and Gifts				
Milk Levy			317,632	290,373
Beef Levy			123,656	120,238
Sheep Levy			22,892	20,581
AHWNI			37,880	27,643
			502,060	458,835
Grants for Core Activities				
DAERA Research Challenge Fund			289,197	177,582
EU Horizon 2020			53,689	--
			351,886	177,582

AgriSearch collects funds for AHWNI which are then paid across to AHWNI. These funds have been included with income and expenditure in the financial statements.

6. Investment income

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Income from other investments	17,653	17,653	23,563	23,563
Other interest receivable	123	123	858	858
	17,776	17,776	24,421	24,421

7. Expenditure on charitable activities by fund type

	Unrestricted Funds £	Total Funds 2021 £	Unrestricted Funds £	Total Funds 2020 £
Research and development in the agricultural industry	723,275	723,275	423,139	439,139
Support costs	53,611	53,611	78,194	78,194
	776,886	776,886	501,333	501,333
			2021 £	2020 £
Staff costs			100,658	71,303
Dissemination costs			9,301	26,259
AHWNI funding			41,129	39,728
			151,088	137,290
Grant funding activities			572,187	285,849
Share of support costs			44,876	69,393
Share of governance costs			8,735	8,801
Unrestricted fund			776,886	501,333

8. Reconciliation of project commitments

	2021 £	2020 £
Grants to institutions		
Opening commitments	631,376	749,445
Agri-Food and Biosciences Institute	311,522	302,582
Queen's University Belfast	--	10,000
(Decreased)/Increased project in year	(186,528)	226,780
Paid during the year	(115,411)	(657,431)
	640,959	631,376

9. Expenditure on charitable activities by activity type

	Activities under-taken directly	Support costs	Total Funds 2021	Total Funds 2020
	£	£	£	£
Research and development in the agricultural industry	723,275	44,876	768,151	492,532
Governance costs	-	8,735	8,735	8,801
	723,275	53,611	776,886	501,333

10. Analysis of support costs

	Analysis of support costs activity 1	Total 2021	Total 2020
	£	£	£
Staff costs	25,262	25,262	27,542
Premises	5,629	5,629	6,316
Communications and IT	2,073	2,073	2,600
General office	871	871	12,177
Finance costs	6,310	6,310	8,424
Governance costs	8,735	8,735	8,801
Support costs - other motor/travel costs	--	--	272
Support costs - depreciation	2,022	2,022	1,687
Support costs - other costs	1,592	1,592	5,736
Support costs - VAT	1,117	1,117	4,639
	53,611	53,611	78,194

11. Net (losses)/gains on investments

	Unrestricted Funds	Total Funds 2021	Unrestricted Funds	Total Funds 2020
	£	£	£	£
Gains/(losses) on other investment assets	100,367	100,367	(60,939)	(60,939)

12. Net income

Net income is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets	2,022	1,687

13. Auditors remuneration

	2021	2020
	£	£
Fees payable for the audit of the financial statements	3,000	3,000

14. Staff costs

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

	2021	2020
	£	£
Wages and salaries	118,115	91,259
Social security costs	5,423	5,496
Employer contributions to pension plans	2,382	2,090
	<u>125,920</u>	<u>98,845</u>

The average head count of employees during the year was 4 (2019: 4). The average number of full-time equivalent employees during the year is analysed as follows

	2021	2020
	No.	No.
General Manager	1	1
Project Officer	1	2
Finance Officer	1	1
Research Manager	1	-
Field Officer	1	-
	5	4

No employee received employee benefits of more than £60,000 during the year (2020: Nil).

15. Trustees remuneration and expenses

None of the Trustees (or any persons connected with them) received any remuneration during the year (2020: £Nil). Trustees were reimbursed expenditure totalling £nil (2020: £893) and in addition, one trustee received £700 (2020: £700) for taking part in the GrassCheck project.

16. Tangible fixed assets

	Fixtures and fittings £	IT equipment £	Total £
Cost			
At 1 April 2020	2,657	6,245	8,920
Additions	1,000	1,234	2,234
At 31 March 2021	3,675	7,479	11,154
Depreciation			
At 1 April 2020	1,131	4,298	5,429
Charge for the year	719	1,303	2,022
At 31 March 2021	1,850	5,601	7,451
Carrying amount			
At 31 March 2021	1,825	1,878	3,703
At 31 March 2020	1,544	1,947	3,491

17. Investments

	Other Investments
	£
Cost or valuation	
At 1 April 2020	587,199
Additions	5,492
Fair value movements	100,366
At 31 March 2021	693,057
impairment	
At 1 April 2020 and 31 March 2021	-
Carrying amount	
At 31 March 2021	693,057
At 31 March 2020	587,199

All investments shown above are held at valuation.

18. Debtors

	2021	2020
	£	£
Trade debtors	177,060	188,897
Prepayments and accrued income	249,675	147,066
	<u>426,735</u>	<u>335,963</u>

19. Creditors: amounts falling due within one year

	2021	2020
	£	£
Trade creditors	78,240	56,059
Accruals and deferred income	87,419	24,599
Social security and other taxes	2,885	1,880
Other creditors	587,642	424,071
Other creditors	--	113
	<u>756,186</u>	<u>506,722</u>

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

	2021	2020
	£	£
Other creditors	78,156	225,117

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 £2,382 (2020: £2,090).

22. Analysis of charitable funds

Unrestricted funds

	At 1 April 2020	Income	Expenditure	Gains and losses	At 31 March 2021
	£	£	£	£	£
General funds	438,821	871,722	(776,886)	100,367	634,024

	At 1 April 2019	Income	Expenditure	Gains and losses	At 31 March 2020
	£	£	£	£	£
General funds	340,255	660,838	(501,333)	(60,939)	438,821

23. Analysis of net assets between funds

	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

	Unrestricted Funds	Total Funds 2020
	£	£
Tangible fixed assets	3,491	3,491
Investments	587,199	587,199
Current assets	579,970	579,970
Creditors less than 1 year	(506,722)	(506,722)
Creditors greater than 1 year	(225,117)	(225,117)
Net assets	438,821	438,821

24. Financial instruments

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

	2021	2020
	£	£
Financial assets that are debt instruments measured at amortised cost		
Financial assets that are debt instruments measured at amortised cost	177,060	188,897
Financial assets that are equity instruments measured at cost less impairment		
Financial assets that are equity instruments measured at cost less impairment	693,058	587,199
Financial liabilities measured at amortised cost		
Financial liabilities measured at amortised cost	831,459	729,959

25. Analysis of changes in net debt

	At 1 April 2020	Cash flows	At 31 March 2021
	£	£	£
Cash at bank and in hand	244,007	100,864	344,871

26. 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.

27. 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 £5,040 (2020: £6,042) was paid out to two members 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 £41,129 (2020: £39,728) on behalf of AHWNI and made payments of £41,129 (2020: £39,728) to AHWNI during the year. The balance owing to AHWNI at the year end was £9,612 (2020: £7,954).

John Henning, Chairman of Agrisearch is also a director of Countryside Services Ltd and CIELivestock Limited, who provide services to the charity within the terms of their charitable activities. Countryside Services Ltd was paid a total of £2,400 (2020: £6,384) and CIELivestock

Limited was paid a total of £600 (2020: £1,267).

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





AgriSearch

Innovation Centre
Large Park
Hillsborough
County Down
Northern Ireland
BT26 6DR

T: 028 9268 1613

E: info@agrisearch.org

www.agrisearch.org