# TRUSTEES' REPORT

## STRATEGIC REVIEW

### Background

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

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

### Mission and Vision

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

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

### Strategy

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

Working with, and funded by industry, levy boards, charities, partner organizations and institutions, we are committed to ensuring the benefits of high-quality research are transferred effectively into practical agriculture.

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

### Public Benefit

The Arable Group Limited seeks to:

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

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

## Performance

Our performance against the 2024/25 objectives is highlighted in the table below:

| Objectives | Performance |
|---|---|
| • Continue to pursue new potato R&D projects funded commercially or through the government's Farming Innovation Programme, including further nutrient management work and regenerative growing systems | R&D projects included ongoing monitoring of the growth and development of potato crops, nitrogen (nutrient) uptake, alternative fertilisers, and the role of crop biostimulants, to support profitable, efficient and sustainable potato production and cropping systems |
| • Further strengthen industry partnerships, working with CUPGRA and GB Potatoes, and extend national and international collaborations with Universities/Institutes across the UK. | Partnerships with CUPGRA, GB Potatoes, and research and industry organisations have continued, addressing key challenges for the potato sector including Potato Cyst Nematode, viruses, wireworm and other pest/pathogen issues, as well as further collaborations linked to the potential for Precision Breeding within the potato crop. |
| • Work with CUPGRA, industry groups, and other research organisations, to maintain access to technical information, demonstrations and events for potato growers and their supply chains. | Technical events and field demonstrations, in collaboration with CUPGRA, included the 35th Annual Cambridge Potato Conference, an annual research review meeting, and two summer research demonstration days. A presence at key events for the potato sector was also maintained. |

## Objectives for 2025/26

The Arable Group Limited plans to address the following objectives for the year 2025/26

- Developing and delivering further R&D projects to address the main sector challenges, including efficient and sustainable use of fertilisers, and maintaining crop health and productivity.
- Collaborating with industry and research organisations to support the evaluation, utilisation, and adoption of new tools and technologies within potato production.
- Work in partnership with CUPGRA, GB Potatoes, other industry groups and research partners to support access to technical information and events for potato growers, including developments linked to a National Potato Innovation Centre.

# FINANCIAL REVIEW

## Income

The total incoming resources for the period were £376k (2024: £295k). This income is derived from a mixture of research contracts, a support grant from Niab as well as recharging costs to other group companies relating to contracts recognized by another group entity.

## Fundraising

The Arable Group Limited does not undertake fundraising activities.

## Expenditure

The outgoing expenditure totaled £400k (2024: £311k). The main operating costs relate to payroll, support services and premises costs. Staff costs in the year were £270k (2024: £137k). Included within expenditure is a total of £44k support costs (2024: £74k). The Arable Group Limited is integrated within the wider Niab Group structure, and support costs are recharged to the charity by Niab.

## Capital Expenditure

The charity funds capital purchases from unrestricted income. No purchases were made in the year (2024: nil).

## Business Review and key performance indicators

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

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

| | 2025 | 2024 |
|---|---|---|
| Charitable Income | £376k | £295k |
| Staff Costs | £270k | £137k |
| Average Staff Numbers | 4 | 4 |
| Support Costs | £44k | £74k |

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

## Subsidiaries and related parties

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

The results of The Arable Group Limited are consolidated into Niab's financial statements.

## Reserves Policy

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

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

Given the current state of agriculture, the trustees concluded that to facilitate long-term planning they would aim to achieve a general reserve, equivalent to two months' unrestricted fund expenditure or £43k.

At 30 September 2025 charity's reserves excluding fixed assets stood at a deficit of (£4k) (2024: (£3k)).

## Accounting Period

The trustees present their report and the financial statements for the 18 month period ended 30 September 2025. The company's year-end (Accounting Reference Date) is 27 September, although the financial statements continue to be prepared to 30 September as permitted by section 390(3) of the Companies Act 2006.

## Related parties

Other than other group entities within the Niab group there were no related parties.

## Going Concern

The trustees have acknowledged the guidance on going concern and financial reporting published by the Financial Reporting Council in 2025.

The ultimate parent undertaking is Niab (charity no: 1064230).

The Trustees have reviewed the Niab Group cash flows and management accounts supporting Niab's activities for the period to 30 September 2027.

The Trustees have considered the following in arriving at their conclusions on going concern: -

1. Niab's cash flow forecast and latest management accounts, which give confidence that the charity can continue to pay its debts as they fall due, through the provision of ongoing support of National Institute of Agricultural Botany Trust (TRUST).
2. TRUST have confirmed to the Niab group that, through the provision of facilities and funding, said support will remain in place to September 2027.
3. The TRUST's joint responsibility to the Pension Scheme including to fund future Pension Scheme Recovery Plan payments.

After making enquiries and considering the current uncertainties the Trustees have a reasonable expectation that both the charity and Niab have adequate resources to continue in operational existence, in the context of the support provided by the TRUST, for the foreseeable future, being at least twelve months from the date of approval of these financial statements and are not aware of any other material uncertainties which may adversely affect the organisation. Accordingly, the financial statements continue to be prepared on the going concern basis.

# RISK ASSESSMENT AND MANAGEMENT

The risks of The Arable Group are considered by the Niab Board of Trustees who are responsible for ensuring there are effective and adequate risk management and internal control systems in place to manage the major risks to which the Niab group is exposed. In addition, The Arable Group Trustees review and monitor any charity specific risks.

Principal Risks and Uncertainties relating to The Arable Group

| Risk Area | Risk | Management |
|---|---|---|
| Customer / Stakeholder | Dependence on Niab, the parent charity | The financial strategy of the charity is closely interlinked with that of the parent charity Niab. The charity operates within the wider Farming Systems and Agronomy group, and forms part of the strategy of that business area. The CEO and Executive team remain focused on the actions required to deliver the Business Strategy and Annual Business Plan, whilst ensuring the short-term focus on the Business Continuity plan. |
| Financial Risks | USS Pension Scheme | The number of employees of the charity who are members of the scheme is currently 1. Participation in the scheme will be monitored. A valuation was produced on 31 March 2023 which showed the scheme to be in surplus on a technical provision basis and therefore the charity is not required to make deficit recovery contributions from 1 January 2024. Should the scheme return to deficit the charity will be required to make contributions This is a multi-employer scheme. In the context of the Niab Group any cost will remain small but further support from the Niab Group may be necessary. |

# STRUCTURE, GOVERNANCE and MANAGEMENT

## Members

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

## Board of Trustees

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

J E Harrison - Chair
J E Godfrey OBE
Professor M J Caccamo

## Recruitment, induction and training of Trustees

The Arable Group Limited recruits Trustees with the relevant skillset to support the charity's activities. An induction programme has been put in place for newly appointed Trustees and is kept under review and updated where appropriate. In addition, Trustees are in regular contact with the chief executive and executive team and receive updates on key areas of activity.

## Organisation and governance

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

The financial statements have been prepared in accordance with the Companies Act 2006 and Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102).

## Trustee Remuneration

The Arable Group Limited does not remunerate the Trustees.

## Decision making and key management

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

The key management personnel also includes those listed on page 19 who are appointed by Niab's Chief Executive; they have authority and responsibility for planning, directing and controlling the activities of The Arable Group Limited. As The Arable Group Limited forms part of a larger group, it is managed on a group basis. The Nominations and Remuneration Committee of Niab consider the pay for key management personnel in the context of the overall company pay review, and the benchmarking of similar roles within BBSRC institutes and industry.

## Employees

The average number of employees for the period was 4.
A policy of equal opportunity is pursued throughout, including the treatment of applications for employment from people who may be disabled, taking account only of the qualifications and abilities of each individual. Should any employee become disabled during the course of employment every effort would be made to retain that person's services and to provide necessary re-training.

Continuing education and training are regarded as vital for the continuance of the company's work and assistance to this end is provided to employees.

## Liability Insurance

The Trustees have effected liability insurance as permitted by the company's articles. This insurance does not provide cover in the event that a Trustee is proved to have acted fraudulently or dishonestly.

# STATEMENT OF TRUSTEES' RESPONSIBILITIES IN RESPECT OF THE ANNUAL REPORT AND FINANCIAL STATEMENTS

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

Company law requires the Trustees to prepare financial statements for each financial year. Under that law the Trustees have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom accounting standards and applicable law), including FRS102, the financial reporting standard applicable in the UK and Republic of Ireland. Under company law the Trustees must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the charitable company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP (FRS102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is 'inappropriate to presume that the charitable company will continue in business'.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charitable company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charitable company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees confirm that:

- so far as each Trustee is aware, there is no relevant audit information of which the auditors are unaware; and
- the Trustees have taken all the steps that they ought to have taken as Trustees in order to make themselves aware of any relevant audit information and to establish that the charitable company's auditor is aware of that information.

The Trustees are responsible for the maintenance and integrity of the corporate financial information included on the charitable company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In preparing this report, the Trustees have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

The Trustees approve the Trustees' Report and financial statements which are signed on behalf of the Board of Trustees of The Arable Group Limited.

J E Harrison
Date: September 2026