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THE INSTITUTE OF GROCERY DISTRIBUTION

**Annual Report and Accounts
For the year ended 31st December 2023**

Registered Number 00105680

Charity Number 309939

The Institute of Grocery Distribution

Report and Accounts

For the year ended 31st December 2023

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The Institute of Grocery Distribution

Trustees' Report (including the Strategic Report)

For the year ended 31st December 2023

The trustees present their report (including the Strategic Report) together with the financial statements for the year ended 31st December 2023. The trustees have adopted the provisions of the Statement of Recommended Practice for Accounting and Reporting by Charities (Charities SORP (FRS 102) (Second edition – October 2019)). The report and the financial statements also comply with the requirements of the Companies Act 2006.

Objectives and activities

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

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

We seek to increase the public benefit we deliver every year by making a bigger impact on a larger number of people and companies and we measure performance via pre-set targets (KPIs) which are summarised in a charitable matrix. The targets are derived from our annual business plan and are agreed with the Trustees. Due to nature of our programmes the KPIs change every year, but the overarching objective is to increase the level of public benefit which we deliver. Threshold, budget and stretch targets are set for each objective and in aggregate we achieved just over budget for the year. Specifics for each area, including the focus for 2024, are detailed below.

Our 2023 charitable achievements

Summary

Over the last 12 months, the food and consumer goods industry has contended with high inflation alongside the effects of low economic growth and ongoing labour shortages. Supply chains continue to be challenged by an unstable global landscape and changing regulatory environment while, closer to home, UK households are expected to see living standards lower than pre-pandemic levels by the end of 2024. The food industry needs to make progress in overcoming these challenges while amplifying the need to work together to build a healthy, sustainable and resilient food system.

It has never been more crucial to continue bringing the food and consumer goods industry together, to ensure stakeholders across the whole value chain work collaboratively to make a positive difference on the issues that matter to us all.

IGD aims to be the essential partner to a thriving food and consumer goods industry. We have a unique ability to convene stakeholders across the whole food and consumer goods supply chain, to influence change across four key areas: people, health, sustainability and economics. We are immensely proud of our achievements over the last 12 months and are delighted to share some of our highlights below.

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

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

Engaging with industry and government

Our Industry Forums and networks are critical in guiding our work and enabling businesses to partner with us to deliver social impact. They also provide an opportunity for members to develop peer networks and drive thought leadership for the whole industry.

We welcomed some new members into our forums and networks in 2023 and engagement across all our groups remained high.

The Institute of Grocery Distribution

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

For the year ended 31st December 2023

Engaging with industry and government (continued)

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

We continued to work closely with policy makers across key government departments including the Department for the Environment, Food and Rural Affairs (DEFRA), the Department for Health and Social Care (DHSC) and the Department for Work and Pensions (DWP), sharing our insights to support evidence-based policy making. Examples include our inflation forecasts, economic resilience, our research on diets and behaviour change, and recommendations for a harmonised approach to environmental labelling for the UK food system. We also continued to foster good relationships with key industry bodies such as WRAP, the Food and Drink Federation, the British Retail Consortium, the NFU and the Consumer Goods Forum, creating partnerships and aligning our goals on common themes and topics.

2023 highlights

At our March Chief Executive's Forum, we welcomed the Secretary of State for Environment, Food and Rural Affairs. We also held meetings in June and September that were well attended by a spectrum of experts and senior government stakeholders.

We have provided an authoritative voice on food inflation – offering accurate forecasts and briefing key stakeholders, including industry leaders, DEFRA, the Bank of England and the Competition and Markets Authority.

- We took a significant role leading the workforce sub-committee of the Food and Drink Sector Council, in responding to the recommendations in the Independent Review into Labour Shortages in the Food Supply Chain.
- A record-breaking 22,500 young people have been trained through our employability workshops and work experience this year.
- We continued to deliver a world-leading programme of behaviour change trials in partnership with Leeds University and the University of Aberdeen, which was recognised by the prestigious ESRC Celebrating Impact Award.
- We delivered a set of recommendations for a 'harmonised approach' to environmental labelling for the UK Food System, based on extensive research and engagement with industry, academia and technical consultants.

Economics from IGD

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

2023 highlights

- In total, more than 2,000 business leaders and critical stakeholders engaged with Economics from IGD content in 2023.
- We continued to track and monitor key economic indicators and important policy developments through our weekly Economics Bulletin, which now has more than 4,100 subscribers.
- We continued to share our flagship Viewpoint reports in 2023 – our quarterly deeper dive into the issues impacting our industry, with accompanying webinar. We also created two Viewpoint special reports on the specific challenges posed by food price inflation and rebuilding resilience.
- Our food price inflation forecast issued in June 2023 as part of the Viewpoint special report achieved high levels of engagement from the media and key stakeholders. Our food inflation forecasts have informed key stakeholders including the Treasury, Defra, the Bank of England and the Competition and Markets Authority.

The Institute of Grocery Distribution

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

For the year ended 31st December 2023

People from IGD

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

In 2023, we built on our work connecting young people and industry professionals through virtual work experience weeks and facilitated workshops, supporting companies to deliver their own follow-up activities to the schools within their communities. We rolled-out a wide-reaching employability pilot in Yorkshire, in partnership with local education infrastructure, The Careers and Enterprise Company and major manufacturers and retailers based in the region.

2023 highlights:

- We provided free learning for more than 2,800 people from over 400 companies, who this year took part in our mentoring programmes, our New Starter Skills course and our two-part New Manager Skills course.
- The largest learning intake of the year was our New Starter Skills autumn intake where over 800 people took part. Some 5,000 people have taken part in the course over the past five years.
- A record-breaking 22,500 young people have been trained through our employability workshops and work experience this year, with 93% increasing their understanding of how skills are used in the world of work.
- We launched our new partnership toolkit to support our industry to independently engage with schools and colleges. Many companies are now committed to delivering local partnerships as part of their attraction strategy for 2024.
- On our Inclusion and Diversity Reverse Mentoring Programme, 86% of participants agreed that they had developed their knowledge as a result of the programme, with 86% agreeing they feel inspired to do something differently.

Health from IGD

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

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

In 2023, we continued to build stronger links with policy makers at the Department for Health and Social Care, the Office for Health Improvement and Disparities, the Food Standards Agency, the Forensic Science Service and the Welsh Government, raising awareness for our work via external speaking engagements. In 2023, our experts participated in a Sainsbury's parliamentary briefing and spoke at the Retail Institute at Leeds Beckett and the CDRC Data Partnership Forum at Leeds University. We have further developed strong connections with the Industry Nutrition Strategy Group and Nutrition Network.

2023 highlights

- In 2023 we published two reports: one looking at the reformulation of products in response to the HFSS legislation and one updated product development and reformulation guide, to steer industry towards improving the nutritional quality of products.
- We continued to take part in an exciting academic collaboration to analyse population level supermarket transaction data from multiple retailers, to evaluate the impact of the HFSS legislation, with results due at the end of 2024.
- In July we published results from a research project on consumer attitudes to Ultra Processed Foods, showing a high level of shopper confusion on the topic.
- The team were asked to contribute an editorial to a virtual issue of the Nutrition Bulletin, the British Nutrition Foundation's journal. The issue and editorial, "Changing the Retail Food environment", explored the research from academia, including IGD's programme of trials, on how to nudge consumer behaviour towards healthier and more sustainable diets.

The Institute of Grocery Distribution

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

For the year ended 31st December 2023

Sustainability from IGD

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

In 2023 we continued our work with industry to develop a harmonised approach to environmental labelling in the UK. We are led by science, informed by consumers. A steering group of senior industry representatives, Defra and WRAP guide our decisions, with input from a larger consultancy group.

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

2023 highlights

- Significantly, we delivered recommendations for a harmonised approach to food environment labelling to government as the culmination of a two-year programme and extensive consultation process across industry, academia, government and the third sector. We aimed to engage with 50 wider stakeholders over the year to inform our approach and exceeded that target, reaching 94 .
- As testament to the significance of our environment labelling work, we informed a deep-dive feature article on the topic of IGD's recommendations to government for the food industry's key magazine The Grocer.
- We published IGD's Sustainable Packaging Choice Tool and Supermarket Heat Map in April, with positive feedback from industry. This enabled our stakeholders to better understand the impacts and opportunities for sustainability per product category. Our packaging team also made strides towards the ambition to halve the use of plastics in the supply-chain by 2030, by delivering a series of over-subscribed sustainable packaging workshops with C-suite colleagues at five major retailers and manufacturers.
- The packaging team attended the Innovation Forum in Amsterdam, sharing the stage with partners Anthesis and Hubbub, and paving the way for further engagements from partners and businesses wishing to work on their sustainability packaging strategies with IGD.
- We strengthened our relationship with WRAP, laying the foundation for handing over delivery of our ambition, with the aim of maximising the reach and impact of the work via WRAP's global network. This will enable us to better align our resource and expertise to most effectively drive action.

Looking forward to 2024

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

In 2024, we aim to be the trusted convenor of the industry, driving action and leading positive change, thereby playing a central role in securing a healthy, sustainable and resilient food system for the UK.

We will look to increase and deepen engagement among industry leaders with our thought-leading economic insight, sustainability, health and people programmes, ensuring these remain relevant to our audience, while supporting decision-making within our industry.

On people programmes, we will be galvanising a sector-wide campaign to attract talent to UK food and consumer goods, while continuing to deliver work experience, workshops and mentoring programmes. We also intend to maintain the impact and reach of our learning courses for new starters, early careers and line managers.

On health, we will deliver the first detailed analysis of the impact of location restrictions on HFSS products based on retailers' sales and nutrition data. We will continue to do this in collaboration with valued delivery partners at the University of Leeds and the University of Aberdeen, with the support of UK Research and Innovation (UKRI).

On sustainability, we will develop a toolkit to enable businesses to implement a harmonised approach to environmental labelling. In addition, we will provide industry leaders with an articulation of the business case for sustainable packaging alongside calls to action for both businesses and government. We will also explore the potential for IGD to play a role across a broader agenda including net zero and sustainable agriculture.

The Institute of Grocery Distribution

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

For the year ended 31st December 2023

Looking forward to 2024 (continued)

On sustainability, we will develop a toolkit to enable businesses to implement a harmonised approach to environmental labelling. In addition, we will provide industry leaders with an articulation of the business case for sustainable packaging alongside calls to action for both businesses and government. We will also explore the potential for IGD to play a role across a broader agenda including net zero and sustainable agriculture.

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

Governance, structure and management

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

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

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

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

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

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

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

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

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

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

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

The Institute of Grocery Distribution

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

For the year ended 31st December 2023

Financial review

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

During 2023, trading revenue grew by 12% to £18.5m which was £0.2m higher than the budget set towards the end of 2022. A large proportion of the growth came from an increase in the number of events which we held, with growth in other areas averaging around 5%. Our surplus on trading activities of £5m was marginally below the £5.2m which was budgeted due to the costs of the additional events. Given our strong reserve position, we made the decision to continue to invest the budgeted amount of £5.7m in our charitable activities (2022: £5.1m) and continue our capital spend (mainly updating IT equipment) of £0.2m (2022: £0.2m). This meant that we had a deficit of £0.6m before a gain on revaluing our investment portfolio of £0.6m.

During 2023, we moved a further £1m of our surplus cash into a managed multi-asset investment fund with Cazenove Capital, as approved by the Trustees in 2021. The objective of the investment policy is to protect IGD's reserves from inflation and to generate a return above inflation to help fund future charitable programmes. The fund has been specifically designed for Charities and the fund adopts a responsible investment approach integrating environmental, social and governance considerations into its decision making with the objective of creating long-term sustainable returns. As a result, our net current assets have fallen by £1.5m. This would be a fall of £0.5m excluding the transfer to fixed asset investments in line with the deficit for the year.

Group reserves

The trustees have set a reserves policy which requires that reserves be maintained at a level which provides financial stability and ensures that IGD's charitable activities could continue during a period of unforeseen difficulty and that a proportion of reserves be maintained in a readily realisable form ("free reserves"). The trustees consider free reserves to be the amount of reserves that are easily converted into cash should the need arise; they exclude unrestricted funds of £2.4m tied up in fixed assets.

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

At 31st December 2023, free reserves (total non-restricted reserves less fixed assets) were £8.3m (2022: £8.3m), which equates to 5 months of planned expenditure (2022: 5 months) which is towards the top end of the policy approved by the Board, but given the high level of economic uncertainty, the Board of Trustees are comfortable with the position. The Board considers this to be an appropriate level of cover and the reserves will ensure that further investment can be made in IGD's charitable programmes and in capital investment to underpin IGD's long-term plans.

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

The Institute of Grocery Distribution

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

For the year ended 31st December 2023

Principal risks and uncertainties

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

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

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

The Institute of Grocery Distribution

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

For the year ended 31st December 2023

Subsidiary companies

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

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

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

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

2023 revenue was £0.2m higher than budget with year-on-year growth of 12%. We delivered five successful large face to face events which was one more than budgeted and two more than in 2022. This helped to drive revenue and covered a shortfall against budget of our Consulting revenue where continued cost challenges in the industry meant that customers had lower discretionary budgets to spend. See the Financial review on page 6 for further detail.

People at IGD

People at IGD are pivotal in all we do. We rely on their knowledge, skills, intellectual rigour and passion for the food and consumer good industry. Our aim is to become an employer of choice for top talent by implementing policies, practices, and compensation packages that attract and retain the best professionals.

In 2021, we introduced our People Strategy, which revolves around four main principles: How we Behave, How we Work, How we Develop, and How we Engage. These principles serve as guiding pillars to communicate and inspire our colleagues about our areas of focus. Since its launch, we've continued to refine and enhance our strategies, such as introducing a development framework in 2023 that clarifies role expectations and fosters personal and professional growth for all employees.

We onboarded 55 colleagues in 2023 and we have been working hard to ensure that are onboarded successfully and feel part of the team and equipped to do great work.

Our latest engagement survey gave an engagement score of 73% with a 91% participation rate, surpassing previous surveys and marking our highest engagement score to date. This year, we've taken a comprehensive approach to engagement, focusing on organizational themes such as leadership, change management, and working practices.

Our work and leadership approach emphasise governance improvement and operational efficiency. We hold regular extended leadership meetings to ensure alignment, integrated decision-making, and better communication. This work will ensure that all employees benefit from clearly defined objectives aligned with our business and operational plans, streamlining planning efforts towards a unified strategy.

Environmental responsibility

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

The Institute of Grocery Distribution

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

For the year ended 31st December 2023

Fundraising Statement

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

Statement of trustees' responsibilities

The names of the trustees who have acted in the year are given on page 31. The trustees are responsible for preparing the trustees' annual report, including the strategic report, and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the trustees to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the group and the parent charity and of the incoming resources and application of resources, including the net income or expenditure, of the group for the year. In preparing those financial statements the trustees are required to:

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

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

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

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

Directors' report

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

Auditors

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

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



Afshin Amirahmadi
Chair
17 June 2024

The Institute of Grocery Distribution

Legal and Administrative Information

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

Company registration number: 105680

Charity registration number: 309939

Company secretary: I Fish (to 1 Sep 2023);
J Sim (27 Sep 2023 to 15 Nov 2023);
D Charalambous (from 15 Nov 2023)

List of Advisors to IGD

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

Bankers:

| | |
|---|--|
| HSBC 60 Queen Victoria Street London EC4N 4TR | CAF Bank 25 Kings Hill Avenue West Malling Kent ME19 4JQ |
| The Co-operative Bank 3-7 Market Street, Watford WD18 0PE | |

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

Solicitors:

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

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

The Institute of Grocery Distribution

Group Statement of Financial Activities (Incorporating an income and expenditure account) For the year ended 31st December 2023

| | Notes | Total (General Funds) | Total (General Funds) |
|---|-------|-----------------------------|-----------------------------|
| | | 2023 | 2022 |
| | | £ | £ |
| <u>Income and endowments from:</u> | | | |
| Charitable activities | 6 | - | - |
| Trading activities | 6 | 18,475,205 | 16,499,170 |
| Interest receivable | 4 | 92,470 | 18,146 |
| TOTAL | | 18,567,675 | 16,517,316 |
| <u>Expenditure on:</u> | | | |
| Raising funds | 7a | (13,466,427) | (11,548,211) |
| Charitable activities | 7b | (5,749,383) | (5,129,203) |
| TOTAL | | (19,215,810) | (16,677,414) |
| Net expenditure before investment gains/(losses) | | | |
| Net gains/(losses) on investment assets | 11 | (648,135) 596,205 | (160,098) (292,038) |
| Net expenditure | | (51,930) | (452,136) |
| Taxation | 5 | (2,142) | (4,944) |
| (Loss)/gain on revaluation of overseas subsidiaries | | (5,427) | 10,670 |
| Net movement in funds | 9 | (59,499) | (446,410) |
| Reconciliation of funds: | | | |
| Total funds brought forward | | 10,817,555 | 11,263,965 |
| Total funds carried forward | 9a | 10,758,056 | 10,817,555 |

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

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

The Institute of Grocery Distribution

Statement of Financial Position

31st December 2023

Company Number 105680

| | Notes | GROUP | | COMPANY | |
|--|-------|-------------------|-------------------|-------------------|-------------------|
| | | 2023 | 2022 | 2023 | 2022 |
| | | £ | £ | £ | £ |
| FIXED ASSETS | | | | | |
| Intangible assets | 10 | 55,960 | 113,902 | - | 8,056 |
| Tangible assets | 10 | 2,385,950 | 2,438,901 | 1,979,538 | 2,064,747 |
| Investments | 11 | 9,267,374 | 7,681,169 | 9,567,474 | 7,981,269 |
| | | <u>11,709,284</u> | <u>10,233,972</u> | <u>11,547,012</u> | <u>10,054,072</u> |
| CURRENT ASSETS | | | | | |
| Debtors | 12 | 3,757,983 | 3,868,534 | 82,863 | 219,436 |
| Cash at bank and in hand | | 3,359,131 | 4,551,976 | 603,296 | 1,593,611 |
| | | <u>7,117,114</u> | <u>8,420,510</u> | <u>686,159</u> | <u>1,813,047</u> |
| Creditors: Amounts falling due within one year | 13a | (8,055,389) | (7,820,312) | (1,645,021) | (1,271,640) |
| | | <u>(938,275)</u> | <u>600,198</u> | <u>(958,862)</u> | <u>541,407</u> |
| Net current assets | | | | | |
| | | <u>10,771,009</u> | <u>10,834,170</u> | <u>10,588,150</u> | <u>10,595,479</u> |
| Total assets less current liabilities | | | | | |
| Creditors: Amounts falling due after more than one year | 13b | (12,953) | (16,615) | - | - |
| | | <u>10,758,056</u> | <u>10,817,555</u> | <u>10,588,150</u> | <u>10,595,479</u> |
| Net assets | | | | | |
| The funds of the charity: | | | | | |
| Unrestricted funds | 9 | 9,103,076 | 9,499,656 | 8,933,170 | 9,277,580 |
| Revaluation reserve | 9 | 1,654,980 | 1,317,899 | 1,654,980 | 1,317,899 |
| | | <u>10,758,056</u> | <u>10,817,555</u> | <u>10,588,150</u> | <u>10,595,479</u> |

The Statement of Financial Activities for the year ended 31 December 2023 for the parent charitable company only was a deficit of £7,329 (2022: deficit of £476,464).

Approved and authorised for issue by the Board of Trustees on 17 June 2024 and signed on its behalf by:



Colin Moss – Trustee and Chair of Audit Committee

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

The Institute of Grocery Distribution

Group Statement of Cash Flows For the year ended 31st December 2023

| | Notes | 2023 £ | 2022 £ |
|---|-------|---------------------------|---------------------------|
| Net cash generated (used by) operating activities | 14 | (90,509) | (1,028,487) |
| Cash flows from investing activities: | | | |
| Interest received | | 92,470 | 18,146 |
| Purchase of intangible fixed assets | | (1,371) | (10,000) |
| Purchase of tangible fixed assets | | (203,435) | (223,351) |
| Purchase of investment assets | | (990,000) | (3,960,000) |
| Net cash from investing activities | | <u>(1,102,336)</u> | <u>(4,175,205)</u> |
| Cash flows from financing activities | | | |
| Transfers from short-term bank deposits | | - | 3,500,000 |
| Net cash provided by financing activities | | <u>-</u> | <u>3,500,000</u> |
| Change in cash and cash equivalents | 16 | <u>(1,192,845)</u> | <u>(1,703,692)</u> |
| Cash and cash equivalents at the beginning of the year | | <u>4,551,976</u> | <u>6,255,668</u> |
| Cash and cash equivalents at the end of the year | | <u>3,359,131</u> | <u>4,551,976</u> |

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

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

The Institute of Grocery Distribution

Notes to the financial statements

For the year ended 31st December 2023

1. Constitution

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

2. Accounting Policies

Basis of Accounts

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

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

Based on the budget, cash forecasts and the available liquid resource, the Trustees believe that there is nothing which would cast doubt on the charity's ability to continue as a going concern for the foreseeable future, being a period of at least 12 months after the date on which the report and Financial Statements are signed. Although £9.3m of the liquid assets are held in an investment fund, worst case scenario forecasts are such that the investments would not need to be sold within the 12 months as there is sufficient resource held in cash. Current factors such as the ongoing conflicts in the Middle East and Ukraine together with domestic labour shortages, increase to the minimum wage and continued food inflation have relatively little direct impact on the IGD Group but are having an impact on consumers and many of our stakeholders in the food and consumer goods sector. Continued cost increases and wider supply chain issues are likely to have an impact on the services our customers procure, but the Trustees consider that any impact is well within the scenario planning completed as part of the going concern review. The Trustees, therefore, consider it appropriate for the accounts to be prepared on a going concern basis.

Basis of Consolidation

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

Income

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

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

Expenditure

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

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

All costs are recognised on an accruals basis.

Translation of Foreign Currencies

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

The Institute of Grocery Distribution

Notes to the financial statements (continued)

For the year ended 31st December 2023

2. Accounting Policies (continued)

Intangible Assets

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

Tangible Assets

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

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

Impairment Policy

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

Leases

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

Research

Research expenditure is written off as it is incurred.

Pension costs

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

Investments held as fixed assets

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

Funds

Funds are classified under three main types:

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

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

Key judgement and accounting estimates

Provision is included in the accounts for the 2023 all-employees bonus scheme. The level of pay-out is determined by measuring performance against a pre-set level of targets for the 2023 calendar year. These key targets were derived from the business plan and were agreed at the end of 2022 by the Remuneration Committee and are aimed at driving performance within the organisation. The relevant targets were achieved at the end of 2023 and the bonus was paid in March 2024, before the accounts were approved.

The Institute of Grocery Distribution

Notes to the financial statements (continued)

For the year ended 31st December 2023

3. Net Expenditure

Net expenditure is stated after charging:

| | <u>2023</u> | <u>2022</u> |
|---|-------------------|-------------------|
| | £ | £ |
| Depreciation/Amortisation - owned assets | 315,699 | 271,557 |
| Auditors' remuneration - for audit services | 50,784 | 49,648 |
| - for other services | 23,497 | 15,889 |
| Indemnity insurance | 600 | 600 |
| Operating lease rentals - plant and machinery | 1,560 | 394 |
| | <u>13,668,804</u> | <u>12,307,998</u> |

Staff costs

| | <u>2023</u> | <u>2022</u> |
|-----------------------|-------------------|-------------------|
| | £ | £ |
| Wages and salaries | 10,829,018 | 9,727,337 |
| Social security costs | 1,214,888 | 1,132,463 |
| Other pension costs | 1,624,898 | 1,448,198 |
| | <u>13,668,804</u> | <u>12,307,998</u> |

Total remuneration received by the senior leadership team was £1,503,090 (2022: £1,614,932).

The pension costs of £1,624,898 (2022: £1,448,198) represent the contributions payable by the company to the Group Personal Pension Plan. £139,713 was payable to the fund at the year end and included in creditors. (2022: £nil).

Redundancy, restructuring and termination costs relating to a number of employees were £280,584 (2022: £75,453).

The average number of permanent and temporary employees of IGD during the year was 178 (2022: 168).

Higher paid employees

| | <u>2023</u> | <u>2022</u> |
|----------------------|-------------|-------------|
| | number | number |
| £60,001 to £70,000 | 14 | 9 |
| £70,001 to £80,000 | 11 | 10 |
| £80,001 to £90,000 | 12 | 11 |
| £90,001 to £100,000 | 6 | 5 |
| £100,001 to £110,000 | 4 | 6 |
| £110,001 to £120,000 | 3 | 3 |
| £120,001 to £130,000 | - | 1 |
| £130,001 to £140,000 | 1 | - |
| £150,001 to £160,000 | 2 | - |
| £160,001 to £170,000 | 3 | 1 |
| £170,001 to £180,000 | - | 2 |
| £180,001 to £190,000 | - | 1 |
| £190,001 to £200,000 | - | 1 |
| £230,001 to £240,000 | 1 | - |
| £290,001 to £300,000 | - | 1 |
| | <u>57</u> | <u>51</u> |

The banding includes salaries, bonus payments and payments in lieu of pension contributions made to employees during the year. Total pension contributions paid in respect of higher paid employees were £800,801 (2022: £681,194). No remuneration or expenses were paid to trustees (see Note 18).

The Institute of Grocery Distribution

Notes to the financial statements (continued) For the year ended 31st December 2023

4. Interest receivable

| | 2023 £ | 2022 £ |
|----------------------------------|---------------|---------------|
| Bank deposit interest receivable | <u>92,470</u> | <u>18,146</u> |

5. Taxation on the Surplus on Ordinary Activities

| 5a. | 2023 £ | 2022 £ |
|---|--------------------|------------------|
| Analysis of tax charge in the year: | | |
| Current Taxation: | | |
| UK Corporation tax on Profits of the year (see 5c) | - | - |
| Canadian Income tax on Profits of the year | <u>2,142</u> | <u>4,944</u> |
| Tax on profit on ordinary activities | <u>2,142</u> | <u>4,944</u> |
| 5b. | | |
| Provision for deferred tax | | |
| Short term timing differences | <u>(4,558)</u> | <u>-</u> |
| Movement in provision: | | |
| Provision at start of year | - | - |
| Deferred tax charged in the Statement of Financial Activities for the year | <u>(4,558)</u> | <u>-</u> |
| Provision at end of year | <u>(4,558)</u> | <u>-</u> |
| Deferred tax asset not recognised | <u>(34,486)</u> | <u>(10,184)</u> |
| 5c. | | |
| Factors affecting the tax charge for the year: | | |
| IGD Services Ltd trading profit on ordinary activities before tax (note 8a) | <u>5,069,370</u> | <u>4,940,938</u> |
| Profit on ordinary activities multiplied by the standard rate of corporation tax of 23.52% (2022:19%) | 1,192,344 | 938,778 |
| Effects of: | | |
| Fixed asset differences | (2,113) | (10,751) |
| Expenses not deductible for tax purposes | - | 56 |
| Marginal relief | (463) | |
| Remeasurement of deferred tax for changes in tax rates | (1,492) | |
| Movement in deferred tax not recognised | 20,655 | 10,452 |
| Charitable donations paid through equity | <u>(1,208,931)</u> | <u>(938,535)</u> |
| Total tax charge for the year (IGD Services Ltd) | <u>-</u> | <u>-</u> |

The Institute of Grocery Distribution

Notes to the financial statements (continued)

For the year ended 31st December 2023

6. Income

| | 2023 £ | 2022 £ |
|-------------------------------|--------------------------|--------------------------|
| Trading activities: | | |
| Membership subscriptions | 2,950,263 | 2,893,567 |
| Insight based services | <u>15,524,942</u> | <u>13,605,603</u> |
| | 18,475,205 | 16,499,170 |
| Charitable activities: | - | - |
| | <u><u>18,475,205</u></u> | <u><u>16,499,170</u></u> |

7. Expenditure

7a. Split of expenditure on raising funds

| | 2023 £ | 2022 £ |
|---------------------------------|--------------------------|--------------------------|
| Direct costs | 1,866,117 | 1,044,890 |
| Administrative expenses: | | |
| Staff costs | 9,698,509 | 8,915,640 |
| Depreciation/Amortisation | 208,673 | 171,490 |
| Other admin costs | <u>1,618,847</u> | <u>1,350,654</u> |
| | 11,526,029 | 10,437,784 |
| Governance costs: | | |
| Auditors' remuneration | | |
| -for audit services | 50,784 | 49,648 |
| -for other services | <u>23,497</u> | <u>15,889</u> |
| | <u>13,466,427</u> | <u>11,548,211</u> |

7b. Split of expenditure on charitable activities

| | People £ | Health £ | Sustain- ability £ | Economic Analysis £ | 2023 Total £ |
|---------------------------------|-------------------------|-------------------------|--------------------------|---------------------------|-------------------------|
| Direct costs: | 339,212 | 208,397 | 471,981 | 38,825 | 1,058,415 |
| Administrative expenses: | | | | | |
| Staff costs | 1,098,516 | 974,295 | 974,295 | 867,444 | 3,914,550 |
| Depreciation | 30,034 | 26,638 | 26,638 | 23,716 | 107,026 |
| Other admin costs | <u>172,204</u> | <u>152,731</u> | <u>152,731</u> | <u>135,981</u> | <u>613,647</u> |
| | 1,300,754 | 1,153,664 | 1,153,664 | 1,027,141 | 4,635,223 |
| Governance costs: | | | | | |
| Staff Costs | 15,643 | 13,874 | 13,874 | 12,354 | 55,745 |
| | <u>1,655,609</u> | <u>1,375,935</u> | <u>1,639,519</u> | <u>1,078,320</u> | <u>5,749,383</u> |

The Institute of Grocery Distribution

Notes to the financial statements (continued)

For the year ended 31st December 2023

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

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

8. a. Net Income of Trading Subsidiary

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

Profit and Loss Account

| | 2023 £ | 2022 £ |
|-------------------------------|---------------------|---------------------|
| Turnover | 18,475,205 | 16,499,170 |
| Direct expenses | (1,866,117) | (1,044,890) |
| Administration expenses | <u>(11,626,232)</u> | <u>(10,527,649)</u> |
| Operating surplus | 4,982,856 | 4,926,631 |
| Interest receivable | 86,514 | 14,307 |
| Dividend receivable | - | - |
| Profit before taxation | 5,069,370 | 4,940,938 |
| Taxation | - | - |
| Profit after taxation | <u>5,069,370</u> | <u>4,940,938</u> |
| Gift Aid Payment | <u>(5,139,892)</u> | <u>(4,940,938)</u> |
| Retained profit in subsidiary | <u>(70,522)</u> | <u>-</u> |
| Total assets | 6,807,663 | 7,144,056 |
| Total liabilities | <u>(6,507,663)</u> | <u>(6,773,534)</u> |
| Shareholders' funds | <u>300,000</u> | <u>370,522</u> |

The Institute of Grocery Distribution

Notes to the financial statements (continued)

For the year ended 31st December 2023

8 b. Net Income of Canadian Subsidiary

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

| | 2023 £ | 2022 £ |
|---|----------------------|----------------------|
| Turnover | 150,901 | 202,943 |
| Direct expenses | - | - |
| Administration expenses | <u>(143,715)</u> | <u>(193,279)</u> |
| Profit before taxation | 7,186 | 9,664 |
| Taxation | (2,142) | (4,944) |
| Retained profit (IGD Services (Canada) Inc.) | <u>5,044</u> | <u>4,720</u> |
| Total assets | 282,647 | 448,809 |
| Total liabilities | (198,636) | (366,377) |
| Shareholders' funds | <u>84,011</u> | <u>82,432</u> |

8 c. Net Income of Singapore Subsidiary

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

| | 2023 £ | 2022 £ |
|--|----------------------|----------------------|
| Management charge income | 324,352 | 253,841 |
| Direct expenses | - | - |
| Administration expenses | <u>(305,618)</u> | <u>(239,179)</u> |
| Profit before taxation | 18,734 | 14,662 |
| Taxation | - | - |
| Retained profit (IGD Services (Singapore) Pte. Ltd) | <u>18,734</u> | <u>14,662</u> |
| Total assets | 121,721 | 91,299 |
| Total liabilities | (37,052) | (26,645) |
| Shareholders' funds | <u>84,669</u> | <u>64,654</u> |

The Institute of Grocery Distribution

Notes to the financial statements (continued)

For the year ended 31st December 2023

9. Categorisation of Funds

a. Unrestricted Funds (Group):

| | Revaluation reserve | Other unrestricted funds | Total general funds |
|--|------------------------|--------------------------------|---------------------------|
| | £ | £ | £ |
| Fund brought forward | 1,317,899 | 9,499,656 | 10,817,555 |
| Net deficit before gains | - | (648,135) | (648,135) |
| Gain on investment assets | 357,374 | 238,831 | 596,205 |
| Taxation | - | (2,142) | (2,142) |
| (Loss) on revaluation of overseas subsidiaries | - | (5,427) | (5,427) |
| Reserves transfer | (20,293) | 20,293 | - |
| | <u>1,654,980</u> | <u>9,103,076</u> | <u>10,758,056</u> |
| Fund carried forward | | | |

Unrestricted Funds (Company):

| | Revaluation reserve | Other unrestricted funds | Total general funds |
|----------------------------|------------------------|--------------------------------|---------------------------|
| | £ | £ | £ |
| Fund brought forward | 1,317,899 | 9,277,580 | 10,595,479 |
| Net deficit after taxation | - | (603,534) | (603,534) |
| Gain on investment assets | 357,374 | 238,831 | 596,205 |
| Reserves transfer | (20,293) | 20,293 | - |
| | <u>1,654,980</u> | <u>8,933,170</u> | <u>10,588,150</u> |
| Fund carried forward | | | |

b. Analysis of Net Assets (Group)

| | General 2023 £ | Designated 2023 £ | Total 2023 £ | General 2022 £ | Designated 2022 £ | Total 2022 £ |
|--|----------------------|-------------------------|--------------------|----------------------|-------------------------|--------------------|
| Fixed assets | 10,054,304 | 1,654,980 | 11,709,284 | 8,916,073 | 1,317,899 | 10,233,972 |
| Current assets: | | | | | | |
| Cash at bank and in hand | 3,359,131 | - | 3,359,131 | 4,551,976 | - | 4,551,976 |
| Other current assets | 3,757,983 | - | 3,757,983 | 3,868,534 | - | 3,868,534 |
| | <u>7,117,114</u> | <u>-</u> | <u>7,117,114</u> | <u>8,420,510</u> | <u>-</u> | <u>8,420,510</u> |
| Creditors less than one year | (8,055,389) | - | (8,055,389) | (7,820,312) | - | (7,820,312) |
| Net current (liabilities)/assets | <u>(938,275)</u> | <u>-</u> | <u>(938,275)</u> | <u>600,198</u> | <u>-</u> | <u>600,198</u> |
| Total assets less current liabilities | 9,116,029 | 1,654,980 | 10,771,009 | 9,516,271 | 1,317,899 | 10,834,170 |
| Creditors due after more than one year | (12,953) | - | (12,953) | (16,615) | - | (16,615) |
| Net Assets | <u>9,103,076</u> | <u>1,654,980</u> | <u>10,758,056</u> | <u>9,499,656</u> | <u>1,317,899</u> | <u>10,817,555</u> |

The Institute of Grocery Distribution

Notes to the financial statements (continued)

For the year ended 31st December 2023

9. Categorisation of Funds (continued)

b. Analysis of Net Assets (Company)

| | General 2023 £ | Designated 2023 £ | Total 2023 £ | General 2022 £ | Designated 2022 £ | Total 2022 £ |
|----------------------------------|----------------------|-------------------------|--------------------|----------------------|-------------------------|--------------------|
| Fixed assets | 9,892,032 | 1,654,980 | 11,547,012 | 8,736,173 | 1,317,899 | 10,054,072 |
| Current assets: | | | | | | |
| Cash at bank and in hand | 603,296 | - | 603,296 | 1,593,611 | - | 1,593,611 |
| Other current assets | 82,863 | - | 82,863 | 219,436 | - | 219,436 |
| | 686,159 | - | 686,159 | 1,813,047 | - | 1,813,047 |
| Creditors less than one year | (1,645,021) | - | (1,645,021) | (1,271,640) | - | (1,271,640) |
| Net current (liabilities)/assets | (958,862) | - | (958,862) | 541,407 | - | 541,407 |
| Net Assets | 8,933,170 | 1,654,980 | 10,588,150 | 9,277,580 | 1,317,899 | 10,595,479 |

10. Intangible and Tangible Fixed Assets

a. Group – Tangible Assets

| | Freehold property £ | Building Improv'ts £ | Fixtures and equipment £ | Total £ |
|---------------------------------|---------------------------|----------------------------|-----------------------------------|------------|
| Cost | | | | |
| At 1 January 2023 | 2,205,148 | 337,413 | 1,124,433 | 3,666,994 |
| Additions | - | 13,761 | 189,674 | 203,435 |
| Disposals / Write offs | - | - | (88,945) | (88,945) |
| At 31 December 2023 | 2,205,148 | 351,174 | 1,225,162 | 3,781,484 |
| Accumulated depreciation | | | | |
| At 1 January 2023 | 363,747 | 145,165 | 719,181 | 1,228,093 |
| Charge for the year | 30,503 | 61,898 | 163,985 | 256,386 |
| Disposals / Write offs | - | - | (88,945) | (88,945) |
| At 31 December 2023 | 394,250 | 207,063 | 794,221 | 1,395,534 |
| Net book value | | | | |
| At 31 December 2023 | 1,810,898 | 144,111 | 430,941 | 2,385,950 |
| At 31 December 2022 | 1,841,401 | 192,248 | 405,252 | 2,438,901 |

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

The Institute of Grocery Distribution

Notes to the financial statements (continued)

For the year ended 31st December 2023

10. Intangible and Tangible Fixed Assets (continued)

b. Group – Intangible Assets

| | Software £ | Websites £ | IP £ | Total £ |
|---------------------------------|----------------|----------------|---------------|------------------|
| Cost | | | | |
| At 1 January 2023 | 249,790 | 793,569 | 10,000 | 1,053,359 |
| Additions | 1,371 | - | - | 1,371 |
| Transfers | - | - | - | - |
| At 31 December 2023 | <u>251,161</u> | <u>793,569</u> | <u>10,000</u> | <u>1,054,730</u> |
| Accumulated amortisation | | | | |
| At 1 January 2023 | 143,944 | 793,569 | 1,944 | 939,457 |
| Charge for the year | 51,257 | - | 8,056 | 59,313 |
| At 31 December 2023 | <u>195,201</u> | <u>793,569</u> | <u>10,000</u> | <u>998,770</u> |
| Net book value | | | | |
| At 31 December 2023 | <u>55,960</u> | <u>-</u> | <u>-</u> | <u>55,960</u> |
| At 31 December 2022 | <u>105,846</u> | <u>-</u> | <u>8,056</u> | <u>113,902</u> |

c. Company – Tangible Assets

| | Freehold property £ | Building Improv'ts £ | Fixtures and equipment £ | Total Tangible £ | Total Intangible (IP) £ |
|---------------------------------|---------------------------|----------------------------|-----------------------------------|------------------------|----------------------------------|
| Cost | | | | | |
| At 1 January 2023 | 2,205,148 | 337,413 | 159,201 | 2,701,762 | 10,000 |
| Additions | - | 13,761 | - | 13,761 | - |
| At 31 December 2023 | <u>2,205,148</u> | <u>351,174</u> | <u>159,201</u> | <u>2,715,523</u> | <u>10,000</u> |
| Accumulated depreciation | | | | | |
| At 1 January 2023 | 363,747 | 145,165 | 128,103 | 637,015 | 1,944 |
| Charge for the year | 30,503 | 61,898 | 6,569 | 98,970 | 8,056 |
| At 31 December 2023 | <u>394,250</u> | <u>207,063</u> | <u>134,672</u> | <u>735,985</u> | <u>10,000</u> |
| Net book value | | | | | |
| At 31 December 2023 | <u>1,810,898</u> | <u>144,111</u> | <u>24,529</u> | <u>1,979,538</u> | <u>-</u> |
| At 31 December 2022 | <u>1,841,401</u> | <u>192,248</u> | <u>31,098</u> | <u>2,064,747</u> | <u>8,056</u> |

The Institute of Grocery Distribution

Notes to the financial statements (continued) For the year ended 31st December 2023

11. Investments

a. Group Undertakings (Company)

| | 2023 | 2022 |
|----------------------|----------------|----------------|
| | £ | £ |
| Shares at cost | | |
| IGD Services Limited | 300,000 | 300,000 |
| IGD Limited | 100 | 100 |
| | <u>300,100</u> | <u>300,100</u> |

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

b. Other investments (Group and Company)

| | 2023 | 2022 |
|----------------------------------|------------------|------------------|
| | £ | £ |
| Value at 1 st January | 7,681,169 | 4,013,207 |
| Investment during the year | 990,000 | 3,960,000 |
| Fair value movement | 357,374 | (53,207) |
| Impairment below cost | 238,831 | (238,831) |
| | <u>9,267,374</u> | <u>7,681,169</u> |

During the year, the Company has continued to move some of its cash surplus to a multi-asset investment fund managed by Cazenove Capital as a long-term investment in order to maximise returns. The fund has been specifically designed for Charities and adopts a responsible investment approach integrating environmental, social and governance considerations into its decision making with the objective of creating long-term sustainable returns. It is invested mainly in global equities and bonds. The historic cost of these investments is £8,910,000 (2022: £7,920,000).

12. Debtors

| | Group | | Company | |
|-----------------------------------|------------------|------------------|---------------|----------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Trade debtors | 3,276,075 | 3,302,372 | 3,113 | 4,486 |
| Amount due from group undertaking | - | - | - | 159,251 |
| Other debtors | 50,604 | 52,461 | 45,191 | 46,165 |
| Prepayments and accrued income | 431,304 | 513,701 | 34,559 | 9,534 |
| | <u>3,757,983</u> | <u>3,868,534</u> | <u>82,863</u> | <u>219,436</u> |

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

| | Group | | Company | |
|----------------------------------|------------------|------------------|------------------|------------------|
| | 2023 | 2022 | 2023 | 2022 |
| | £ | £ | £ | £ |
| Trade creditors | 796,527 | 802,384 | 181,701 | 235,752 |
| Amount owed by group undertaking | - | - | 23,265 | 100 |
| Taxation and social security | 856,730 | 807,960 | 357,789 | 295,886 |
| Accruals | 1,318,578 | 1,014,914 | 1,045,451 | 712,087 |
| Deferred income (see 13c) | 5,083,554 | 5,195,054 | 36,815 | 27,815 |
| | <u>8,055,389</u> | <u>7,820,312</u> | <u>1,645,021</u> | <u>1,271,640</u> |

The Institute of Grocery Distribution

Notes to the financial statements (continued)

For the year ended 31st December 2023

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

| | Group | | Company | |
|-----------------|---------------|---------------|-----------|-----------|
| | 2023 £ | 2022 £ | 2023 £ | 2022 £ |
| Deferred income | <u>12,953</u> | <u>16,615</u> | - | - |

Creditors falling due after one year comprises deferred income for subscriptions which fall beyond 31st December 2024.

c) Movement in deferred income

| | Group | | Company | |
|---------------------------------|------------------|------------------|---------------|---------------|
| | 2023 £ | 2022 £ | 2023 £ | 2022 £ |
| Deferred income brought forward | 5,211,669 | 5,418,582 | 27,815 | 3,815 |
| Released in the year | (5,195,054) | (5,372,480) | (18,000) | - |
| Income deferred in the year | 5,079,892 | 5,165,567 | 27,000 | 24,000 |
| | <u>5,096,507</u> | <u>5,211,669</u> | <u>36,815</u> | <u>27,815</u> |

Deferred income comprises income invoiced for subscriptions, membership, training and events which fall beyond 31st December 2023.

14. Reconciliation of net expenditure to Operating Cash Flows

| | 2023 £ | 2022 £ |
|--|------------------------|---------------------------|
| Net expenditure | (51,930) | (452,136) |
| Investment income | (92,470) | (18,146) |
| Depreciation/amortisation charges | 315,699 | 271,557 |
| (Loss)/profit on revaluation of overseas subsidiary reserves | (5,427) | 10,670 |
| (Increase)/decrease in revaluation of investments | (596,205) | 292,038 |
| Decrease/(increase) in debtors | 108,409 | (634,374) |
| Increase/(decrease) in creditors | 231,415 | (498,096) |
| | <u>(90,509)</u> | <u>(1,028,487)</u> |
| Taxation paid | - | - |
| Net cash used by operating activities | <u>(90,509)</u> | <u>(1,028,487)</u> |

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

| | 2023 £ | 2022 £ |
|---|---------------------------|---------------------------|
| (Decrease) in cash for the year | <u>(1,192,845)</u> | <u>(1,703,692)</u> |
| Movement in net funds for the year | <u>(1,192,845)</u> | <u>(1,703,692)</u> |
| Net funds at 1 January | <u>4,551,976</u> | <u>6,255,668</u> |
| Net funds at 31 December | <u>3,359,131</u> | <u>4,551,976</u> |

The Institute of Grocery Distribution

Notes to the financial statements (continued)

For the year ended 31st December 2023

16. Analysis of Net Funds

| | Balance 1 Jan 2023 £ | Cash Flows £ | Balance 31 Dec 2023 £ |
|--------------------------|----------------------------|--------------------|--------------------------------|
| Cash at bank and in hand | 4,551,976 | (1,192,845) | 3,359,131 |
| Total net funds | 4,551,976 | (1,192,845) | 3,359,131 |

17. Lease commitments

| | 2023 £ | 2022 £ |
|----------------------------------|--------------|-----------|
| Minimum future lease commitment: | | |
| Due within one year | 1,872 | - |
| Due 2-5 years | 5,923 | - |
| | 7,795 | - |

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

18. Trustees' Reimbursements

No reimbursements were made in 2023 or 2022 in respect of Trustees' expenses.

No Trustee has received any remuneration in 2023 or 2022 for their role as Trustee.

19. Related Party Transactions

There were no related party transactions in either 2023 or 2022.

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

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

20. Results of the parent company

As a consolidated Statement of Financial Activities is published, a separate income and expenditure account for the parent undertaking is omitted from the group accounts by virtue of section 408 of the Companies Act 2006. The deficit for the year retained in the books of the parent undertaking was £7,329 (2022: £476,464). Total net income of the parent undertaking was £5,139,892 (2022: £4,940,939) being the Gift Aid received from IGD Services Ltd of £5,139,892 (2022: £4,940,939).

21. Capital Commitments

At 31 December 2023 the Group was committed to capital spend of £7,491 (2022: £55,000).

The Institute of Grocery Distribution

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

Opinion on the financial statements

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the Parent Charitable Company's affairs as at 31 December 2023 and of the Group's incoming resources and application of resources for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain independent of the Group and the Parent Charitable Company in accordance with the ethical requirements relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions related to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group and the Parent Charitable Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

The Institute of Grocery Distribution

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

Other Companies Act 2006 reporting

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

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

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

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

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

Responsibilities of Trustees

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

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

Auditor's responsibilities for the audit of the financial statements

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

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The Institute of Grocery Distribution

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

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Non-compliance with laws and regulations

Based on:

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

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

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

Our procedures in respect of the above included:

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

Fraud

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

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

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

The Institute of Grocery Distribution

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

Our procedures in respect of the above included:

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

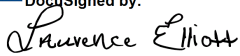
We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities for the audit of the financial statements is located at the Financial Reporting Council's ("FRC's") website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the Charitable Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Charitable Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Charitable Company and the Charitable Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

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

01 July 2024

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

The Institute of Grocery Distribution

Board of Trustees and IGD Services Limited Board of Directors For the year ended 31st December 2023

The following is a list of Trustees and Directors who have served since 1st of January 2023 unless stated otherwise.

Trustee of IGD and Director of IGD Services Ltd

| | | |
|---|--|--------------------------|
| Ian Morley <i>(resigned Dec 2023)</i> | Vice President Sales Northern Europe | Procter & Gamble |
| Colin Moss | Senior Director – Finance Transformation | Mars |
| Natasha Adams <i>(resigned Jun 2023)</i> | Chief Executive Officer, Ireland | Tesco |
| Natasha Rice <i>(appointed Sep 2023)</i> | People Director | Tesco |
| Afshin Amirahmadi | Chief Executive Officer | Sofina Foods |
| Ruth McDonald <i>(appointed Director of IGD Services Ltd Dec 2023)</i> | Corporate Services Director | Wm Morrison Supermarkets |

Trustee of IGD

| | | |
|---|-------------------------------------|-----------------------|
| Lindsay Boswell <i>(resigned Mar 2023)</i> | Chief Executive Officer | Fareshare.org |
| Chris Whitfield | Chief Operating Director | Co-operative Food |
| Morag Freathy <i>(resigned Sep 2023)</i> | MD Business & Industry UK & Ireland | Compass |
| Richard Sharp | Vice President Human Resources | Unilever |
| Matt Lee <i>(appointed Nov 2023)</i> | CEO UK & Ireland | Hilton Food Group Plc |
| Allessandra de Druille <i>(appointed Feb 2024)</i> | Marketing & Commercial Director | Kraft Heinz |

Director of IGD Services Ltd

| | | |
|---|--|-----------------------|
| Bradley Moore <i>(resigned Dec 2023)</i> | UK Sales Director | Nestle Purina Petcare |
| Michael Evans | Group Communications Director | Greencore Group |
| Sam Burston | Chief Digital Officer | Sainsbury's |
| Chris Walker | Vice President | Asda |
| Simon Fisher <i>(appointed Jan 2024)</i> | Sales Director UKI & Head of Sales Capability EUAU | General Mills |
| Keith Packer <i>(appointed Feb 2024)</i> | Manager Director | British Sugar |

The Institute of Grocery Distribution

Senior Leadership Team

For the year ended 31st December 2023

IGD's current Senior Leadership Team

| | |
|--|---------------------------------------|
| Sarah Bradbury (appointed Jul 2023) | Chief Executive Officer |
| Sarah Baldock | Marketing and Communications Director |
| Liz Clarkson | People Director |
| Ian Dunkley (Appointed Mar 2024) | Chief Financial Officer |
| Naomi Kissman | Social Impact Director |
| Kate Sizer (appointed Jun 2024) | Commercial Customer Director |
| Tom Wakeman (Appointed Mar 2024) | Insight Director |