

Agriculture and Horticulture Development Board
Annual Report and Accounts
2023/2024



HC 86





Agriculture and Horticulture Development Board Annual report and accounts 2023–2024

For the period 1 April 2023 to 31 March 2024

Presented to the UK Parliament, the Scottish Parliament, the Welsh Parliament and the Northern Ireland Assembly pursuant to Article 13 of The Agriculture and Horticulture Development Board Order 2008 (S.I. 2008, No. 576)

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Contents

Chair's foreword	4
Performance report	
Overview	6
– Introduction and overview	6
– AHDB purpose and strategic priorities	7
Performance	8
– Delivering for each AHDB industry sector	8
– Key issues and risks	13
– Financial performance	13
– Diversity and inclusion	14
– Sustainable development performance	14
Performance analysis	16
– The new regular vote and the levy ballot process	16
– Board scrutiny	16
Summary and look ahead	17
Accountability report	
Corporate governance report	18
– Board's report	18
– Statement of the Accounting Officer's responsibilities	19
– Governance statement 2023/24	19
AHDB board and statutory committees at 31 March 2024	24
Remuneration and staff report	25
Certificate and Report of the Comptroller and Auditor General	31
Financial statements 2023/24	
Consolidated statement of comprehensive net expenditure	36
AHDB statement of comprehensive net expenditure	37
Consolidated statement of financial position	38
AHDB statement of financial position	39
Consolidated cash flow statement	40
AHDB cash flow statement	41
Consolidated statement of changes in equity	42
AHDB statement of changes in equity	43
Notes to the financial statements	44
Annex – Levy rates in operation during 2023/24	81
AHDB Sector Councils at 31 March 2024	82

The Agriculture and Horticulture Development Board (AHDB) is funded by levies paid by farmers, growers and others in the supply chain. Because the levy is statutory, AHDB is classified as a non-departmental public body (NDPB) and comes under the sponsorship of the Department for Environment, Food and Rural Affairs (Defra).

Fifteenth Annual Report to the Secretary of State for Environment, Food and Rural Affairs, the Scottish Ministers, the Welsh Ministers and the Northern Ireland Ministers, and Statement of Accounts for the year ended 31 March 2024.

Auditor: Comptroller and Auditor General, National Audit Office
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Chair's foreword

In reporting on the work of AHDB for the year 2023/24, it is once again important to put our responsibilities to support our levy payers in the context of what has been another year of serious challenges for British farmers and the supply industry. Inflation has significantly pushed up input costs and labour shortage remains an inhibitor in many sectors.



The 2023 harvest saw reduced yields, compared to 2022, across all the main cereal crops except barley, and the overall harvest was down 10% on 2022. The persistent wet weather since the autumn has severely impacted drilling as well as the quality of pastureland for cattle and sheep.

There was some good news with pig prices stabilising and improving slightly during the year, partially alleviating the impact of the continued inflationary period. Sheep, beef cattle and milk prices remained robust through the season (although milk prices were down on the high of 2022), which helped farmers to combat the continued high costs of energy and other inputs.

For AHDB, 2023/24 saw us emerge from our three-year programme of change as a stronger, leaner, more efficient and more focused service provider to our levy payers. We have reconnected with levy payers and established AHDB as a vital part of the agricultural support network.

AHDB has to play an increasingly vital role in helping the industry to work together to solve the multitude of problems our levy payers face and capture the biggest opportunities. We work in the space where problems cannot be solved by commercial companies or membership organisations working on their own. Our levies, even despite the recent increase, are a relatively small cost per unit of output if we are able to successfully fulfil the role with which we are charged in adding value through practical collaboration.

Critical current examples include the leadership work we are pioneering through our Environment team supported by Professor John Gilliland (in strong collaboration with others) on the focus on net zero, the need for developing on farm balance sheets and not simplistically falling into the risk of equating environmental goals as achieving zero emissions. This includes proper measurement of the sequestrating of carbon and making sure that policy makers are aware of the fast-developing, cutting-edge science and regulation in other countries.

We are also exploring how the industry can collaborate to avoid farmers losing control of their environment data – a real risk at the moment with one aim, which is to help our industry play its part in reducing environmental impact, but to do so in a way that rewards levy payers and makes sure they are treated fairly and in a way that can be practically managed on farm.

Market Intelligence – Our updated analysis on the characteristics of top-performing farms pinpointed measures farm businesses could apply to improve their bottom line. The analysis brings to life how top-performing farmers make different decisions, have a mindset for change and perform activities by a measured and calculated approach. It is therefore intended to provide a guide to farmers looking to raise their own financial performance, using evidence-based analysis alongside illustrative case studies, regardless of which quartile they are currently classified in or consider themselves to be in.

Responding to the impacts of the wet weather through the winter has also been a significant undertaking for our analysts. The independent evidence we create and explanation of the impact on farms has ensured AHDB has led the industry in the wider media with interviews on radio and television showing the skills and talent we have in the team.

Export – Red meat exports from the UK in 2023 were worth £1.7 billion, largely driven by strong demand for UK lamb on international markets. We further opened the Mexico market to include British pork offal, with a potential for meaningful additional exports over the next five years.

In 2023, we also saw the unveiling of Beyond Borders – AHDB's new strategy aimed at delivering enhanced services to help more exporters maximise the global potential for our high-quality produce. It sets out plans to encourage more businesses to develop their export potential with the help of enhanced AHDB services including bespoke training and advice and industry-leading marketing support.

Domestic marketing – Our domestic marketing campaigns continued to deliver impactful results with target audiences, delivering cut-through during people's busy lives.

The Eat Like a Lioness campaign scooped the Marketing Campaign of the Year award at the Trade Association Awards. The campaign aimed to raise awareness of the role of dairy and meat when playing sport; it targeted teenage girls and ran for the duration of the Women's Football World Cup.

The autumn pork campaign, Feed Your Family for Less with British Pork, delivered a 3% uplift in purchase intent, taking pork to its highest level since 2021.

Once again, the We Eat Balanced campaign supported the ongoing consumption of meat and dairy products backed up by recommendations from the British Nutrition Foundation.

Reputation – We convene an industry leadership group around key reputational issues across the livestock supply chains to agree coordinated actions. This is supported through our social media programme to promote and protect the reputation of British food and farming which delivered over 100 million impressions across all our channels on social media last year.

Research – The Recommended Lists for cereal and oilseeds (RL) entered its eightieth year with the release of the latest variety data in the popular booklet format, which

featured a fresh new look, following feedback from the 2023 RL review. The Medicine Hub reached a milestone on 1 November 2023, enabling the UK ruminant sector to provide, for the first time, data for calculating antibiotic use for the dairy, beef and sheep sectors. This was done through the reporting of the RUMA (Responsible Use of Medicines in Agriculture Alliance) Targets Task Force and the Veterinary Medicines Directorate's VARSS reports.

Overall, we are delighted that feedback in regard to the added value we are providing for our levy payers has been extremely positive. This recognition of the value we are delivering has provided great ongoing encouragement to AHDB's professional staff and has vindicated the major changes instituted by the board and management team in delivering the necessary structural changes to AHDB.

More demonstrably, the support for the work we are delivering was reflected through the response to our Funding Your Future campaign, where the industry backed the proposal to increase levies by more than 25% in each sector. This was the first levy increase for more than 10 years in the Beef & Lamb and Cereals & Oilseeds sectors, and over 20 years in the Dairy and Pork sectors.

I want to take this opportunity once again to thank Tim Rycroft, who left us as CEO after two years of intensive

change, Mike Sheldon, who was the board member who chaired the Pork Sector Council, and Janet Swadling, who played such a vital role in driving changes to our governance structure. They were all significant contributors in getting AHDB to its current position where we can justifiably play our part in helping develop British agriculture into a sustainable and profitable future.

It is also an important moment at which we have been able to welcome Graham Wilkinson, our new chief executive, who joined us in early March 2024. His challenge with the board and management colleagues is now to maximise the value of levy payers' investment in AHDB as we all head into a fast-changing future.

Nicholas Saphir
Chair
Agriculture and Horticulture Development Board

11 July 2024

Performance report

From the Chief Executive and Accounting Officer

Introduction

2023/24 saw AHDB move into 'growth mode', after successfully completing a multi-year programme of change. While further work is needed, it is now back where it needs to be – facing into the future and clear about how best to serve levy payers and the wider agricultural sector.



We started the year by accomplishing a move from our former headquarters building at Stoneleigh to a smaller HQ on the outskirts of Coventry in April 2023, saving levy payers around £500,000 a year.

After fulfilling our promise to make AHDB a leaner, fitter and more accountable organisation, we were able fully to concentrate on the priorities that levy payers told us were most important to them. This improved delivery has been seen and acknowledged by our sector councils and many of our levy payers, but the work to communicate and demonstrate value must be ceaseless.

To enable us to deliver the valuable initiatives set out in our sector plans – and go further – we had to seek additional investment from levy payers through an increase in the levy rates. We launched the Funding Your Future campaign, setting out proposals from our four sector councils on why we were seeking a levy increase and how it would be invested to meet levy payers' priorities. The industry backed the proposed increases, recognising the value of AHDB's work, and the proposals were approved in February 2024 by Defra Ministers and the devolved governments.

One key role we play is in providing independent, trusted data and facilitating and enabling industry collaboration. This has been evidenced through our work to help the cereals and oilseeds industry assess the Digital Grain Passport proposal and also the recently launched UK-wide review of farm assurance schemes.

Overview

2023/24 saw AHDB fully focus on delivering benefit and impact for levy payers. For the livestock sectors this meant focusing on promoting industry reputation and growing exports and continuing to provide and improve our technical and research work for Cereals & Oilseeds.

Key to bolstering the reputation of the industry, especially in the red meat and dairy sectors, was our ongoing marketing, environmental and education work. Our highly successful We Eat Balanced campaign has increased its impact and evolved as the now-rebranded Let's Eat Balanced campaign, helping to inform consumer attitudes to British meat and dairy as part of a healthy and sustainable balanced diet, especially in the 18–25-year-old

audience. Other marketing successes included our Feed Your Family for Less with British Pork TV campaign, which reached 44 million adults and drove purchase intent to its highest level since 2021.

As an evidence-based agricultural organisation, we continued to challenge inaccuracy and misinformation in the media to ensure public debate around the food our farmers produce is well informed, transparent and honest. This included submitting a complaint to Ofcom about Channel 4's 'Big British Beef Battle' for failing to observe due impartiality and accuracy, as well as fairness. The factual narrative around livestock agriculture and its impact on the environment is a key issue for AHDB and one we constantly seek to address.

We continued our work to educate the consumers of tomorrow and undertook four exciting new pilot projects with a focus on experiential learning. This included launching a pilot project with LEAF Education to help farmers deliver high-quality, safe and memorable on-farm experiences for schoolchildren. Addressing cost as a barrier, we have provided meat, dairy and flour with accompanying recipes to support practical cooking in secondary schools in England in our innovative Ingredients into Schools pilot project, which has seen more than 1,000 pupils take part.

We continued to provide farmers with the necessary environmental support and resources and worked to ensure consumers, industry and policymakers recognised the full contribution of farmers towards net zero. This work includes changing the narrative to ensure the measurement of net carbon takes full account of on-farm sequestration and emissions removal, calling for nationwide baselining to measure carbon stocks and emissions, and working with industry to develop roadmaps to net zero.

Our animal health and welfare research continued, as well as our work on genetics and breeding for environmental benefit in cattle and sheep. In November 2023 we partnered with ITN Business to launch 'Farming a Greener Future', a news-style programme showcasing the positive impact livestock has on the environment and our food system.

A key policy area for us and our levy payers is developing export opportunities and international markets, in collaboration with industry and government, and we continued to deliver successes. Exports benefit not only those who directly export but also help to support domestic pricing and ensure the value of each carcass can be maximised. According to HMRC, red meat exports from the UK were worth £1.7 billion in 2023, matching the record-breaking level set the previous year, largely driven by strong demand for UK lamb on international markets.

Sheep meat exports to France – the UK's largest market – was the standout, increasing by 23% in value to £292 million and 23% in volume on the year, while we saw notable growth in Ghana following our successful trade mission there in 2022.

While sheep meat exports thrived, there were challenges for the beef and pork sectors. Beef exports fell by 15% in volume and 9% in value, largely driven by strong domestic demand and weaker demand from Europe. Pig meat export volumes in 2023 were down 20%, with the value falling by 9% amid lower production in the UK and subdued demand in Asia. However, exports still returned significant added value to the pork and beef sectors in the UK, adding £570 million and £583 million, respectively.

UK dairy export volumes for 2023 were up 2.2% but down in value by 2.7%, due to the lower price of products. Exports to the EU were marginally lower but, encouragingly, rose to non-EU destinations. UK dairy exports totalled around £1.84 billion in 2023, slightly down on the previous year. Our Dairy Sector Council has decided that promoting dairy exports will be a particular focus area going forward.

We work closely with industry and government to help ensure our products thrive on the global stage, supported through our extensive programme of trade show attendance, inward and outward trade missions and market access work. In June we launched our Beyond Borders strategy, outlining how we can enable UK exporters to develop their export potential.

Key to our work growing exports is our independent evidence, allowing us to identify opportunities and consumer trends in new and key markets. While continuing to expand our analysis of UK agri-food export prospects, we also helped our producers and exporters understand the impact and potential of new trade deals; for example, the UK's accession to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).

As the UK battled high inflation and interest rates in 2023, our Agri-Market Outlook provided levy payers with invaluable insight into market conditions and prospects to help them plan for their business, and this year it was expanded to include outlooks for fertiliser, animal feed and straw. And our experts helped farmers and producers unpick what changes to legislation meant for them – for example, understanding the new Sustainable Farming Incentive stacking options and the rapidly evolving area of carbon markets.

We were disappointed by the Livestock Auctioneers Association's decision to end our contract with them for the cleansing and provision of England and Wales liveweight auction market data – a much-valued service for our levy payers. However, we continue to provide independent expert analysis of the domestic livestock industry and will explore how more insight on liveweight prices and throughputs can be provided in the future for levy payers.

Valued existing products such as Recommended Lists and RB209 Nutrition Management Guide continue to be sharpened and improved, and we remain committed to farmer-to-farmer learning – despite a rebuild of our Cereals & Oilseeds Knowledge Exchange team, we were able to successfully deliver a full programme of winter on-farm events.

Following a consultation with industry, nine areas of amendment were made to the Statutory Instrument governing AHDB, the AHDB Order 2008. These came into force as of 14 October 2023 and covered administrative improvements as well as enabling AHDB to support other (non-levy paying) agricultural sectors across the UK, on a fee or voluntary levy-funded basis, subject to approval by Ministers.

This report summarises AHDB's performance in the 12 months to 31 March 2024. The following pages illustrate how levies have been invested to deliver services for our sectors during that period.

AHDB purpose and strategic priorities

Levy payers have told us they wanted us to focus on the following priorities:

- Defending the reputation of meat and dairy
- Developing new markets for high-quality products
- Helping drive profitability and productivity through expert insight, marketing and analysis
- Enabling better business decisions through services such as trusted variety and product testing, the Recommended Lists and our nutrient management information, including RB209
- Providing practical support to farmers and growers.

Delivering for AHDB Beef

RED MEAT
EXPORTS
were worth **£1.7B**
largely driven by
strong demand for
UK LAMB 

Our **Eat Like a Lioness**
campaign generated

52 press pieces with a circulation of **45 million**

and reached

5 million

people on
social media



Sector priorities

- **Reputation:** The aim of this work is to protect and promote the reputation of beef to consumers. It includes the education of future consumers, promoting the image of red meat in the media, tackling reputational issues, providing expert spokespeople and information for the media, responding to government consultations and informing policy development.
- **Marketing:** Aimed at protecting long-term demand by championing beef as an excellent choice for consumers. It includes our Let's Eat Balanced campaign, delivering other highly visible targeted marketing campaigns across national TV, online, social and press, showcasing our world-class farming standards to consumers and working with retailers to improve the shopping experience.
- **Exports:** The aim is to increase market access and drive exports to underpin prices, giving us a better chance of getting the best value for the whole carcass and supporting farmgate prices. We will continue to work with industry and government to continue opening new markets, champion beef at international trade shows, host foreign governments and buyers, work with exporters to visit target markets and increase trade and support exports in existing markets.
- **Insight and evidence:** Aimed at enabling levy payers to improve their on-farm practices and gather data to support the reputation of beef. This work will include the supply of price information, following consumption trends and monitoring emerging longer-term market signals, analysing costs of production and farm margins and using our knowledge to help levy payers navigate changes to environmental policy.

Some further highlights

- Exports of beef offal, critical for carcass balance, to non-EU markets rose by 12% in value and 19% in volume in 2023.
- Exporters from nine UK businesses joined an AHDB-led trade mission to Ghana and the Côte d'Ivoire to explore further export opportunities for red meat.
- Nine out of 10 consumers agreed that our Let's Eat Balanced TV advert communicated meat and dairy can be part of a healthy, balanced diet.

Delivering for AHDB Lamb



7/10 
consumers
who saw our
Let's Eat Balanced TV ads
said it gave them **new information**
about **meat** and **dairy**
to defend their
dietary choices

Sector priorities

- **Reputation:** The aim of this work is to protect and promote the reputation of lamb to consumers. It includes the education of future consumers, promoting the image of red meat in the media, tackling reputational issues, providing expert spokespeople and information for the media, responding to government consultations and informing policy development.
- **Marketing:** Aimed at protecting long-term demand by championing lamb as an excellent choice for consumers. It includes our Let's Eat Balanced campaign, delivering other highly visible targeted marketing campaigns across national TV, online, social and press, showcasing our world-class farming standards to consumers and working with retailers to improve the shopping experience.
- **Exports:** The aim is to increase market access and drive exports to underpin prices, giving us a better chance of getting the best value for the whole carcass and supporting farmgate prices. We will continue to work with industry and government to continue opening new markets, champion lamb at international trade shows, host foreign governments and buyers, work with exporters to visit target markets and increase trade and support exports in existing markets.
- **Insight and evidence:** Aimed at enabling levy payers to improve their on-farm practices and gather data to support the reputation of lamb. This work will include the supply of price information, following consumption trends and monitoring emerging longer-term market signals, analysing costs of production and farm margins and using our knowledge to help levy payers navigate changes to environmental policy.

Some further highlights

- Thirteen red meat and seven dairy exporters joined us at Gulfood in Dubai to promote UK produce to buyers from around the globe.
- We challenged incorrect claims in the media about red meat consumption and responded to research findings, including studies by Oxford and Harvard universities.
- Sheep meat exports to Germany rose in value by 15% to £108 million and in volume by 12%.
- The overall value of UK sheep meat exports increased by 11.7% to £562 million.

Delivering for AHDB Dairy

Total **UK dairy**
export volume rose by
25,800 tonnes to



Our January



campaign

showcasing **BRITISH**
beef, lamb and dairy

reached
42 Million
adults

Sector priorities

- **Reputation:** To continue to engage with consumers of all ages and promote and defend the reputation of dairy in the media while opening new markets and increasing dairy exports. It will include delivering consumer marketing campaigns that drive a positive attitude towards dairy consumption, using data, evidence and experts to robustly challenge misinformation about dairy in the media and opening new export markets by collaborating with government and industry.
- **Data and evidence:** Using evidence and data to defend or enhance the reputation of the dairy industry at home and abroad. It will include tracking the use of antibiotics in the sector via its electronic Medicine Hub, collaboration with others to prevent or minimise the effect of endemic diseases and to consider the leading role that genetics and genomics play in helping us in our journey towards net zero.
- **Practical support:** Aimed at using our strategic farm network to focus on answering farmers' questions on how to make their businesses more profitable and sustainable and to provide targeted market intelligence to support farmers with forecasts and insights. Our work will include the cost of production/farm margins analysis, evidence to inform government policies and analysing consumer trends and global trade to feed into its domestic marketing and export work.

Some further highlights

- Our Food – a fact of life (FFL) education programme, delivered in partnership with the British Nutrition Foundation, delivered national teacher conferences in England and Northern Ireland, with 100% of the teachers attending saying it gave them ideas to take back to school.
- Powdered and condensed milk were the hero export products, recording an increase of 26.4% to 140,300 tonnes.
- Sixteen exporters took part in the AHDB-hosted British Cheese Night in Las Vegas to showcase world-class British cheese to key buyers.

Delivering for AHDB Pork

The value of 
PIG MEAT
exports in 2023 was
£570M
with **105 markets** open

Our 
reached
44 million
adults

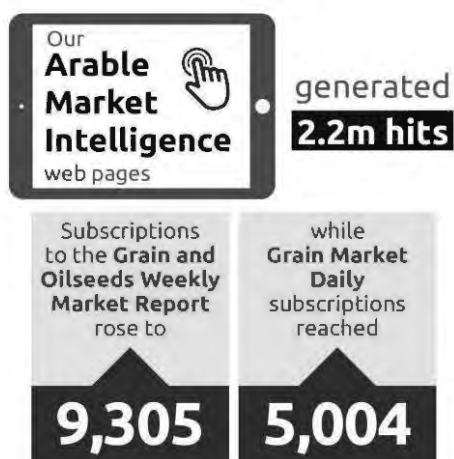
Sector priorities

- **Marketing:** The aim of this work is to support the long-term demand for pig meat by championing pork as a healthy and versatile choice for consumers. It will involve continuing to deliver award-winning consumer marketing campaigns that drive positive attitudes to pork consumption, inspiring young consumers to cook and eat pork via social media, shifting resources when required to stimulate additional demand for particular cuts and working with retailers to improve the meat aisle.
- **Exports:** Export work is essential to supporting domestic pig prices. Our work identifies lucrative markets such as the US for high-quality products and balances the carcass for fifth quarter items, helps open and extend market access for our exporters and champions British pig meat trade at international shows.
- **Reputation:** Aimed at protecting and promoting the reputation of the industry to consumers, this work includes educational activities, animal health and welfare, environment, and industry skills support.

Some further highlights

- Autumn 2023's Love Pork campaign saw consumers' intent to buy pork rise to its highest level since 2021.
- Six UK pig meat exporters travelled with AHDB to California in January on a five-day trade mission to meet and do business with key buyers.
- The Food – a fact of life education website saw a 4% increase in resources downloads, achieving over 1.3 million.

Delivering for AHDB Cereals & Oilseeds



A total of **14,368 copies** of our **Recommended Lists 2024/25** were sent to **levy payers**, while more than **20,000 PEOPLE** people visited the RL web page



Sector priorities

- **Trusted variety and product testing:** The aim of this work is to provide critical independent information that growers can trust – we test commercially available products in order to make recommendations and provide hard data that growers can use in their decision making. The RL selection process also drives the traits in the varieties coming through the commercial breeding programmes, e.g. greater focus on disease resistance.
- **Independent, practical research and market intelligence:** The aim of this work is to provide answers to key questions that levy payers have but cannot get good answers to elsewhere – both in terms of the markets and technical research questions. This work is driven by the needs of levy payers and is what makes it unique, providing them with a route to set the agenda on the questions to be answered.
- **Work across the supply chain:** We are uniquely placed to bring the industry together and facilitate precompetitive discussions on topics of debate, some of which are controversial – such as the Digital Grain Passport and environmental data. Our aim is to support the exploration and development of concepts to see if and how they would benefit all levy payers. We will deliver some cross-cutting initiatives where they benefit levy payers, such as education to schoolchildren.
- **Knowledge exchange:** The aim is for our team to facilitate farmer-to-farmer learning, on-farm research and to connect levy payers with the best information and expertise, via our network of Strategic Farms, Monitor Farms and Arable Business Groups, together with providing a wealth of other opportunities for levy payers and advisers to share and gain knowledge on the topics of most interest to them.

Some further highlights

- AHDB's team that produces the Recommended Lists (RL) has been implementing the findings of the RL review and changed the format to make it more usable, with further work to be implemented during 2024/25. Levy payer awareness of our RL product rose to 94%.
- Working closely with industry through our Fungicide Performance project means that independent information on fungicides can now be made available to farmers and their advisers as soon as new products are released.
- Levy payer awareness of our RB209 nutrient management guide product rose to 75%.
- Visits to our Trade and Policy web pages doubled to more than 95,000 over the past 12 months.

Key issues and risks

Risks

In 2023/24, the key risks regularly discussed by the board included organisational capacity, legacy pension schemes, levy rate increase and risks relating to levy payer sentiment. More detailed information on specific risks is contained within the Governance Statement.

Financial performance

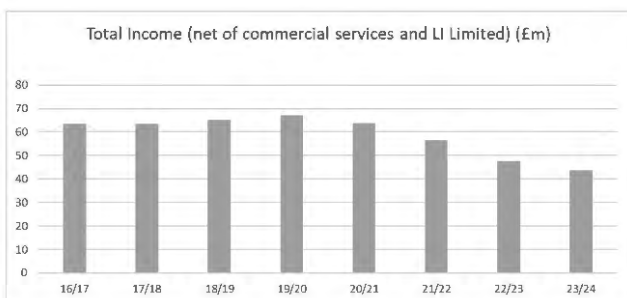
The total net income for core activities during 2023/24 (excluding Livestock Information Limited activities) was £43.7 million (2022/23, £47.6 million), while operating expenditure on core strategic activities was £44.9 million (2022/23, £49.1 million).

Excluding Livestock Information Limited, the total comprehensive expenditure for AHDB in 2023/24 was £2.5 million (2022/23, expenditure of £5.4 million) and, when excluding pensions asset/liability movements of £0.1 million (2022/23, £2.3 million), the underlying deficit for AHDB standalone for 2023/24 was £2.4 million (2022/23, deficit of £3.1 million).

AHDB held a controlling interest in Livestock Information Limited until 31 October 2023. AHDB held 51% of member voting rights and held influence over the appointments for a majority of Board Directors. Following a members' resolution effective 1 November 2023, AHDB's holding of voting rights reduced to 15% and AHDB can only appoint one Board Director. AHDB has fully consolidated the financial results of Livestock Information Limited for the period of 1 April 2023 to 31 October 2023 as part of the financial results for the Group.

As a Group, including Livestock Information Limited and excluding pension asset/liability movements, the underlying AHDB Group deficit for 2023/24 was £25.3 million (2022/23, £17.7 million). The deficit for 2023/24 relating to Livestock Information Limited (£22.9 million) comprises two elements:

- A required accounting treatment to reflect the expenditure incurred delivering the Livestock Information Programme from 1 April 2023 to 31 October 2023 (£11.8 million), the cost of which is met by Defra and not by levy payer reserves.
- As a result of the change in control of Livestock Information Limited from 1 November 2023, the accounting treatment requires a deemed disposal equivalent to AHDB's share of the net asset as at 31 October 2023 (£11.1 million). More details about the Group results are available in Notes 2a and 2b.

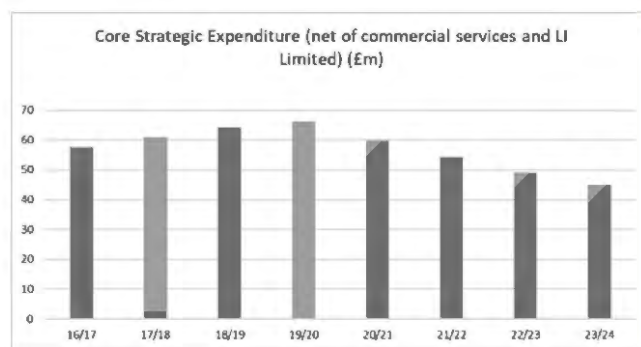


Gross levy income for 2023/24 of £43.6 million was £1.2 million less than 2022/23, primarily due to reductions in production volumes in the Beef & Lamb, Pork, and the

Cereals & Oilseed sectors equating to a reduction of £1.3 million levy income. This was offset by a £0.1 million increase in Dairy sector levy income due to increased milk production volumes.

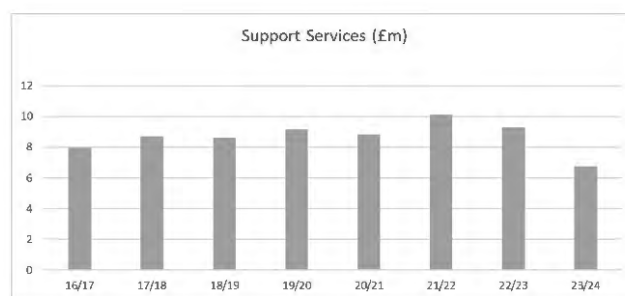
Non-levy income for 2023/24 of £2.7 million was £2.8 million less than 2022/23, primarily due to a reduction in grant income; the Dairy DIP Grant ended in June 2023 and the Resilience Fund Grant completed in 2022/23.

With effect from 1 April 2021, the former Red Meat Levy Ring-Fenced Fund mechanism was superseded by Section 35 of the UK Agriculture Bill. An associated Red Meat Levy Scheme (RML Scheme) has been established that defines the fair reallocation of red meat levies between home nations in relation to the cross-border movement of livestock to slaughter. The RML Scheme levy reallocation value for 2023/24 was £2.6 million (2022/23, £2.6 million).



The core strategic operational expenditure for the continuing sectors reduced by £1.2 million, when compared to 2022/23, to £44.7 million (2022/23: £45.9 million). The main driver for this is the reduction in the cost of support services due to savings achieved by moving to smaller premises.

Expenditure on core strategic activities in the 'winding down' sectors for 2023/24 was a net £0.2 million after accounting for the sale of the Sutton Bridge site (2022/23, £3.2 million). See Notes 2a and 2b for more information.



Central support services expenditure in 2023/24 decreased compared to 2022/23 by £2.5 million, primarily due to a reduction in expected credit loss, savings from HQ relocation and net proceeds from the sale of Sutton Bridge site.

Sector councils, including staff and sector-specific costs, account for circa 3% of income in 2023/24 – a reduction of 1% compared to 2022/23 due to reduction in professional fees relating to pension advice. A breakdown of how the levy from each sector is invested can be found in Note 2a.

The financial results are analysed below from two perspectives: firstly as the overall AHDB Group and secondly as AHDB levy board activity only.

AHDB Group: AHDB's overall Group results show a net total comprehensive expenditure of £25.4 million (2022/23: expenditure of £20.0 million). This result includes a loss on revaluation of pension assets and liabilities of £0.5 million (2022/23: £2.7 million loss) and a net AHDB-only deficit of £2.0 million for the year (2022/23: £2.7m deficit). The main contribution to the group result is the Livestock Information Limited deficit for 1 April 2023 to 31 October 2023 of £22.9 million (2022/23: £14.6m deficit). Livestock Information Limited is fully funded by Defra. As a result of the change in control of Livestock Information Limited, a deemed disposal equivalent to the AHDB share of the net asset as of 31 October 2023 has been recognised in the Consolidated statement of net expenditure.

The Group cash balance at the end of the year was £5.1 million compared to £6.6 million in 2022/23; this reduction is a result of no longer consolidating Livestock Information Limited as at 31 March 2024.

AHDB levy board: To aid the reader, the 2023/24 Annual Report and Accounts includes a Statement of Comprehensive Net Expenditure for AHDB only. This details the income and expenditure of AHDB only and includes breakdown totals for continuing and winding-down sectors, alongside an "AHDB Total" and an "AHDB Group Total" column to Notes 2a and 2b. This provides the reader with a view of the financial information for AHDB in isolation from its wider Group totals. The presentation of the Group financial results is heavily influenced by the method of accounting for the funding from Defra to LI Limited.

When including pension scheme movements and costs, non-levy income and other non-operating costs, AHDB continuing sectors recorded an underlying deficit in 2023/24 of £2.4 million (2022/23: £0.2 million deficit). Excluding the pension reserves, AHDB continuing sectors' reserves were £20.3 million on 31 March 2024 (31 March 2023: £22.8 million). Including pension reserves, AHDB continuing sectors' reserves on 31 March 2024 were £17.9 million (31 March 2023: £20.3 million). Any pension-related reserves are not available to AHDB for operational purposes, and they are required for legacy pension scheme and plan obligations.

The Horticulture and Potatoes sectors were winding down operations during 2023/24 because of decisions taken by AHDB, Ministers of Defra and the devolved governments following the outcome of the levy payer ballots in February (Horticulture) and March (Potatoes) 2021. The Statutory Instrument update that came into force on 26 May 2022 (SI 2022/577) allows AHDB to continue to support these sectors without any 2023/24 levy collection. The focus for these sectors is on collection of outstanding levies, expenditure management and cost control to ensure activities are managed in line with the wind-down plan.

Across the two sectors, core strategic operational expenditure was £0.2 million (2022/23: £3.2 million), with an underlying deficit of less than £0.1 million when including all non-levy income, other costs and the sale of Sutton Bridge site (2022/23 £2.9 million deficit). Reserves for these two sectors on 31 March 2024 were £4.5 million (31 March 2023: £4.5 million). The reserves will fund the remaining wind-down activity planned over the coming months.

The AHDB board, in conjunction with Defra, agreed that the distribution of available surplus reserves for the Horticulture sector, following the winding down and transitioning to HCP Limited, will be issued as a grant for the furtherance of Extensions of Authorisation for Minor Use (EAMU) and Emergency Authorisations (EA) services. The grant agreement was signed by both parties on 31 March 2023, with payments during 2023/24 of £0.7 million. A variation agreement for the grant was signed on 26 March 2024, with payments expected in 2024/25 and 2025/26. This variation agreement was treated as a financial commitment on 31 March 2024.

In March 2024 the AHDB board recommended to ministers that AHDB should make a grant to GB Potatoes Organisation Limited from remaining AHDB Potato sector reserves to undertake project work with industry-wide benefit to the GB potato sector. This was approved by Defra in May 2024.

Advertising and publicity: Marketing, which includes advertising and publicity, plays a key role in a number of our delivery programmes across trade development, export development, levy payer communications and digital and creative output, which includes website development, video, and graphic design. In 2023/24 AHDB spent £11.3 million on marketing (2022/23, £9.7 million).

Anti-corruption and fraud prevention: AHDB is committed to ensuring that the risk of fraud, corruption and bribery in all its forms is minimised. Our anti-fraud policy and gifts and hospitality policy incorporate a fraud response plan and inform staff of our approach to operate with integrity and governance oversight. We follow the Nolan Committee's seven principles of public life and these, together with our policies, financial systems and checks, contribute to minimising risk in this area.

Equality, Diversity and Inclusion

Our people are essential to delivering our outcome-focused work for farmers, growers and processors. As a responsible employer, we are committed to equality, diversity and inclusion in the workplace, and develop our management teams to embrace the values of our policy. As part of our long-term commitment to equality, diversity and inclusion, we continued to actively review the issue of gender pay.

Sustainable development performance

We act responsibly as an employer and as an organisation through such mechanisms as waste recycling and purchasing from sustainable sources, where possible.

Strategy for sustainability: Members of staff attend the cross-Defra sustainability leadership group which meets regularly through the year, collates Greening Government Commitment (GGC) data from all Defra family entities, and coordinates efforts towards obtaining better sustainability metric results. AHDB's recent move to a new HQ building with a smaller footprint has helped longer term metrics. Travel emissions will continue as we support outward export missions but a substantial reduction in domestic vehicle fleet and the smaller, more efficient HQ is expected to help maintain our overall downward emissions trajectory. AHDB total emissions metrics are currently ahead of the Defra group target trend to reach 50% reduction by 2024/25 compared to 2017/18, having fallen to 171 tonnes CO₂ in 2023/24 from 298 tonnes CO₂ in

2021/22 (a 43% reduction) and from 1,108 tonnes CO₂ in 2017/18 (a 85% reduction).

The Taskforce on Climate-related Financial Disclosures (TCFD): As AHDB falls below the requirement thresholds within the application guidance for these disclosures, and Defra has not instructed AHDB to follow the guidance, AHDB has not applied TCFD.

Fleet: AHDB's commercial vehicle fleet for 2023/24 remains the same as 2022/23 at four vehicles, one of which is fully electric (a ULEV ratio of 25% for the commercial vehicle fleet). One of the vehicles in the fleet has been replaced this year with a different model that has higher emission values and, as a result, the average CO₂ emission of the commercial fleet has increased to 125 g/km in 2023/24 (2022/23: 113 g/km).

AHDB has reduced its company car fleet to one leased pool vehicle in 2023/24 (2022/23: four). The CO₂ emission of this vehicle is 120 g/km compared to an average of 87 g/km for 2022/23.

Finite resource consumption: AHDB's water consumption increased to 497 cubic meters in 2023/24 (2022/23: 471) due to the cleaning and chlorination of water tanks. This activity is required annually since moving HQ building due to Legionella control compliance.

Paper usage: Paper usage through printers in AHDB's UK offices and by some home workers in 2023/24 was 154 reams (2022/23: 398). This represents a 96% reduction compared to a baseline of 3,876 reams used in 2018/19.

Waste: AHDB's HQ waste is divided into recycling and general waste. During 2023/24 AHDB recycled 11 tonnes of waste, including 0.1 tonnes of IT waste. A total of 11.05 tonnes went to landfill. Waste tonnage is down 9.47 tonnes compared to 2022/23. It can be seen from the accompanying table that during 2023/24 AHDB had a 50/50 split between the tonnes of waste being recycled and that being sent to landfill compared to a 71/29 split in 2022/23.

The focus on the move of HQ premises in 2023/24 meant that expected reporting on consumer single use plastics waste and reuse schemes is not available. Facilities procurement processes in 2024/25 will include the objective of sourcing supplier data directly from their systems for improved reporting, and reducing the environmental impact of Information and Communication Technology (ICT) and the use of single-use plastics.

Greenhouse Gas Emissions	Year ended 31 March 2024		Year ended 31 March 2023 restated	
	Measure	Tonnes CO ₂	Measure	Tonnes CO ₂
Scope 1: Direct Emissions				
Bulk Fuels:				
Fleet (kilometres)				
Medium petrol car, 1.4 - 2.0 l			3,611	0.67
Small diesel car, up to 1.7 l			220	0.03
Medium diesel car, 1.7 - 2.0 l	27,718	4.59	3,423	0.57
Heating oil (litres)	1,392	3.79	4,568	12.45
Gas (kWh)			44,054	8.03
Scope 2: Energy Indirect				
Electricity (kWh)	256,921	52.66	594,275	113.63
Scope 3: Other Indirect Emissions:				
Travel by non-AHDB-owned transport (kilometres)				
Small petrol car, up to 1.4 l	71,506	10.02	56,845	8.29
Medium petrol car, 1.4 - 2.0 l	92,721	16.46	63,779	11.74
Large petrol car, >2.0 l	12,677	3.44	15,568	4.29
Small diesel car, up to 1.7 l	26,232	3.61	32,591	4.50
Medium diesel car, 1.7 - 2.0 l	110,350	18.26	105,957	17.60
Large diesel car, >2.0 l	59,024	19.65	45,627	9.47
Battery Electric Vehicle (BEV) - Average	774	0.07	299	0.02
LPG - Average	3,644	0.72	4,008	0.79
Unknown - Average			196,106	33.22
Public Transport (kilometres)				
Domestic Flights	72,966	11.63	55,472	7.14
Rail - National /Average	169,720	5.96	138,726	4.87
Light Railway / Tram	238	0.01	272	0.01
London Underground	1,029	0.03	430	0.01
Taxi - Regular	9,533	1.97	7,460	1.51
Bus - Average	1,084	0.11	588	0.06
Ferry - Average	21	0.01	36	0.01
Other Travel (kilometres)				
Short Haul International Economy	50,792	5.44	38,091	3.01
Short Haul International Business	2,086	0.33	1,036	0.12
Long Haul International Economy	6,832	0.80	43,088	3.34
Long Haul International First	4,358	2.04		
International (non-UK) Economy	37,084	2.92	11,920	0.88
Rail - Eurostar	8,251	0.04	14,405	0.06
Waste management (tonnes)				
Waste recycled externally (excl. ICT waste)	11	0.23	22	0.47
Waste sent to Landfill	11	5.75	9	4.14
Food Waste sent to Landfill			0.03	0.16
Total		170.54		251.09
Tonnes/£m income		3.9		5.3

	Year ended 31 March 2024	Year ended 31 March 2023
Costs (£)		
Heating Oil	1,030	3,571
Gas	-	782
Electricity	101,430	137,226
Water	8,933	1,032
Business Travel	843,445	828,671
Waste Management		
Total waste recycled	6,606	7,462
Total waste to landfill	4,441	4,287

Total reported emissions decreased by 32% in 2023/24 compared to the previous year, as seen in the year-on-year emissions values in the above table. The main driver of this decrease is the relocation of our HQ office to a smaller premises.

Electricity emissions reduced by 54% in 2023/24 compared to 2022/23 driven by a reduction in kWh used as a result of moving to smaller premise. There are no gas emissions reported in 2023/24 compared to 44,054 kWh in 2022/23. Waste management processed has reduced by 9 tonnes in 2023/24, 2022/23 included additional waste as a result of preparations for the move to the new HQ building in April 2023. Despite a reduction in waste tonnage produced year on year, the tonnes CO₂ produced has increased due the government prescribed GHG (Greenhouse Gas) conversion factors increasing.

Kilometres travelled on public transport has increased by 25% during 2023/24 this converts to a 45% increase in tonnes CO₂ which is driven by the prescribed GHG conversion factors increasing. Travel by non-AHDB owned transport has reduced by 28% in 2023/24, this is offset by an increase in direct emissions as a result of pool car usage.

Kilometres travelled overseas has increased by 1% during 2023/24, this converts to a 56% increase in tonnes CO₂ which is driven by the prescribed GHG conversion factors increasing.

Sustainable procurement: We have built the requirement for sustainability into the AHDB procurement strategy. We use the Government’s Energy Performance Contract for our energy (gas and electricity). Our paper products come from sustainable sources. We source catering from many different suppliers as we tend to use local independent caterers close to the location of the events we hold.

Climate change adaptation: We continue to encourage the conservation and enhancement of on-farm biodiversity, soils and water as a positive business benefit within areas of our research and knowledge transfer work.

Performance analysis

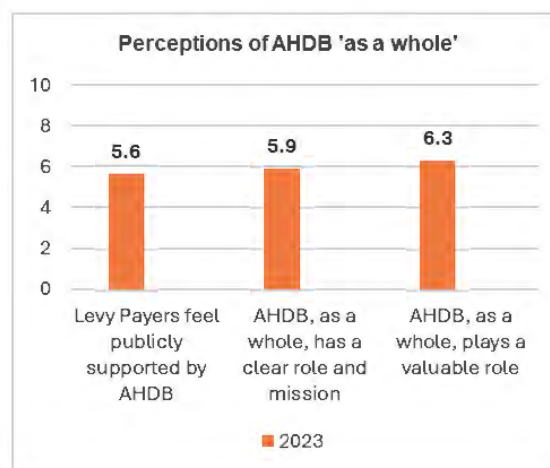
During 2023/24 AHDB continued to measure its corporate performance against key metrics, including value for money, awareness of AHDB and understanding of AHDB by sector. The latest set of data (2023) from our levy payer customer insight measure is highlighted in the table below.

Sector	Value for money (mean score out of 10)		Awareness		Understanding of AHDB (mean score out of 10)	
	2015	2023	2015	2023	2015	2023
Beef & Lamb	4.7	5.8*	72%	84%*	3.8	4.7
Cereals & Oilseeds	5.3	6.0	82%	93%*	4.5	5.9*
Dairy	3.9	5.4*	79%	95%*	4.1	5.6*
Pork	5.4	5.2	83%	100%	4.5	7.0

* Denotes statistically significant movement 2015 to 2023.

Note: Due to a low response rate from the pork sector for this survey, figures are indicative only and statistical significance cannot be calculated. Work is currently underway to improve this for the 2024 survey.

To further the understanding of levy payer satisfaction with AHDB, three new measures were introduced to the Customer Insight Measure in 2023 to capture perceptions of AHDB delivery of sector plans and key priorities. The following table shows the 2023 benchmark levels.



Regular vote and the levy ballot process

At least every five years, AHDB must hold a democratic levy payer vote on the priorities and programmes of work they want to have funded by their levy. The last vote of this nature was held in Spring 2022; therefore, no vote on priorities was held during the reporting period. A ratification vote for new and second-term sector council members was held during October/November 2023, with all council appointments and reappointments being ratified.

An ultimate test of levy payer satisfaction with our performance is provided under the AHDB Order 2008 – the Statutory Instrument under which AHDB operates. It allows levy payers to request a ballot on the continuance of a particular levy. If 5% of levy payers in any sector write to AHDB within a 90-day period, a ballot will be held on that levy and the results will be sent to Ministers for a decision. There were no requests for a ballot received during the 2023/24 financial year.

Board scrutiny

The AHDB board is accountable for **what** AHDB delivers, and the executive is responsible for **how** AHDB does it.

The board is appointed on a skills basis, with at least half being recent or current levy payers with industry expertise. The board consisted of 9 non-executive members, including the chair. The board is supported in its work by two statutory committees: the Remuneration and Nominations Committee and the Audit, Risk and Assurance Committee.

The board is also supported by sector committees called sector councils. The sector councils decide what strategic programmes of work are needed to support their sectors and also what recommended levy rate is needed to fund that work. These councils are comprised of levy payers from each sector, with appointments confirmed through a levy payer vote. A list of sector council members can be found at the end of the Annual Report and Accounts.

During the reporting year, the main AHDB board held six formal meetings. The four sector councils held 18 meetings between them.

Summary and look ahead

AHDB has transformed into a stronger, streamlined, and dynamic service provider to our levy payers, showing leadership within the industry and is central to the agricultural support network.

As we navigate the complex challenges that our levy payers encounter, AHDB plays an increasingly critical role in fostering industry collaboration to address these issues and seize opportunities – adding value through practical collaboration.

Our professional staff are at the heart of the organisation, delivering valued services for our levy payers. I would like to thank them for the passion, commitment and professionalism they have shown.

During the year ahead, we will continue to focus on putting independent evidence into collaborative action to drive progress for the industry.

Graham Wilkinson
Chief Executive and Accounting Officer
Agriculture and Horticulture Development Board

11 July 2024

Accountability report

Corporate governance report

Board's report

Introduction

AHDB is an executive non-departmental public body (NDPB) sponsored by Defra. As such, its board is made up of members appointed by Ministers rather than directors. It was created on 1 April 2008, when the functions, responsibilities, assets and liabilities of five independent predecessor levy bodies were transferred to the Agriculture and Horticulture Development Board (AHDB). This transfer was in accordance with the Statutory Instrument (the Agriculture and Horticulture Development Board Order 2008), which defines AHDB's statutory purposes as:

- Increasing efficiency or productivity in the industry
- Improving marketing in the industry
- Improving or developing services that the industry provides or could provide to the community
- Improving the ways in which the industry contributes to sustainable development

AHDB provides agricultural sectors with cost-effective, relevant services which support the sectors' long-term sustainability. Our strategy to deliver these services is described in the performance report.

The composition of the AHDB board is reported on page 24. Details of the Accounting Officer, who is the Chief Executive of AHDB, are reported on page 26.

Any interests held by AHDB board members in other relevant organisations are disclosed in Note 22 of the financial statements.

AHDB's corporate governance is described and reviewed in the Governance Statement.

AHDB is funded by statutory levies paid by farmers, growers and others in the supply chain. Levies raised from each commodity sector are ring-fenced to ensure they only benefit the sector from which they were raised.

Pension schemes

In accordance with the Government Financial Reporting Manual for the year ended 31 March 2024, AHDB accounts for its pension scheme obligations under the requirements of IAS 19 (revised): there are legacy pension schemes from the Meat and Livestock Commission (MLC) and Home Grown Cereals Authority (HGCA), with recognition of pension liabilities of £2.3 million (2022/23, £2.4 million) and £0.2 million (2022/23, nil), respectively, in the AHDB Statement of Financial Position. These assets and liabilities belong to the pension schemes and, in accordance with the Pension Scheme Surpluses (Valuation) Regulations 1987, are not available to AHDB.

At 31 March 2024 all AHDB current employees are part of a defined contribution pension scheme. The legacy defined benefit schemes are reported on in more detail in Note 21. The members of the schemes are previous

employees of MLC and HGCA, many are pensioners, and most of the remainder no longer work for AHDB (deferred members of the scheme). AHDB is responsible for ensuring members receive their benefits. With effect from 31 March 2022, both the HGCA Pension Plan and MLC Pension Scheme ceased future accrual of benefits. Consequently, with effect from 1 April 2022, there were no active members in either of these schemes.

The MLC Pension Scheme's latest triennial actuarial valuation, as at 31 March 2021, was completed on 22 August 2022 and identified a Technical Provisions funding deficit of £7.3 million. AHDB agreed an Annual Deficit Repair Contribution (DRC) plan of £0.7 million per annum until December 2033. The next triennial actuarial valuation, valued as at 31 March 2024, will commence in 2024/25,

The latest triennial actuarial valuation of the HGCA Pension Plan was completed as at 31 March 2022, resulting in a Technical Provisions funding deficit of £0.5 million. DRCs were agreed between AHDB and HGCAPP Trustees of £0.2 million per annum from 1 April 2023 to 30 September 2025.

Both pension schemes have taken steps to reduce the volatility they are exposed to through liability-driven investment approaches. The MLC scheme also has c.60% of its liabilities covered by bought-in insurance policies that are valued using the same assumptions as those liabilities.

Application of the IFRIC14 interpretation of IAS 19 has led to an asset ceiling being placed on the net surplus of both the MLCPS and HGCAPP. More details are provided in Note 21.

Payment policy

AHDB's policy is to pay accounts according to suppliers' payment terms or, where such terms are not specified, to pay within 30 days of agreement of the amount invoiced.

The payment time between the invoice date and payment date that occurred the most often during 2022/23 was 29 days (2022/23: 31 days). The average time between the date the invoice was received and the payment date for all invoices paid in 2023/24 was 23.4 days (2022/23 27.4 days).

Contractors

AHDB uses the services of individual specialist contractors to provide specific services where the resource is not available in-house and where it would not be commercially or operationally viable to provide the resource internally. During 2023/24, the cost of services provided by such specialist contractors by the AHDB Group was £8.1 million (2022/23: £12.2 million), of which £2.5 million (2022/23: £3.0 million) was through engagement with AHDB and £5.6 million (2022/23: £9.2 million) was through engagement with LI Limited.

Environmental issues (sustainable development)

Please see the Performance Report.

Auditor

The external auditor of AHDB is appointed by statute and is the Comptroller and Auditor General (C&AG). The C&AG has also been appointed the external auditor of AHDB's subsidiary Livestock Information Limited. Services are limited to the audit and no fees were paid in respect of non-audit services.

Personal data-related incidents

AHDB has had no material data-related incidents that required reporting to the ICO. There were five personal data incidents logged during the year (three in 2022/23). Four of the data incidents were related to human error when sending an email, and one related to lost/stolen equipment which was password protected and encrypted. One of these was reported to the Defra data protection officer. The incidents were used as opportunities to reinforce staff understanding and training and improve systems and processes.

One Subject Access Request was received during 2023/24.

Statement of the Accounting Officer's responsibilities

Under the Agriculture and Horticulture Development Board Order 2008, the Secretary of State, with the consent of HM Treasury, has directed AHDB to prepare, for each financial year, a statement of accounts in the form and on the basis set out in the Accounts Direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of AHDB and of its income and expenditure, statement of financial position and cash flows for the financial year.

In preparing the accounts, AHDB and its Accounting Officer must comply with the requirements of the Government Financial Reporting Manual and, in particular, to:

- Observe the Accounts Direction issued by Ministers, including the relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis
- Make judgements and estimates on a reasonable basis
- State whether applicable accounting standards, as set out in the Government Financial Reporting Manual, have been followed, and disclose and explain any material departures in the financial statements
- Prepare the financial statements on a going-concern basis
- Confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable, and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable

The Accounting Officer of the Department for Environment, Food and Rural Affairs has appointed the Chief Executive as the Accounting Officer of AHDB. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding AHDB's assets, are set out in Managing Public Money, published by the HM Treasury.

Disclosure of audit information to the Comptroller and Auditor General

As the Accounting Officer, I have taken all the steps that I ought to have taken to make myself aware of any relevant audit information and to establish that AHDB's auditors are aware of that information. So far as I am aware, there is no relevant audit information of which the auditors are unaware.

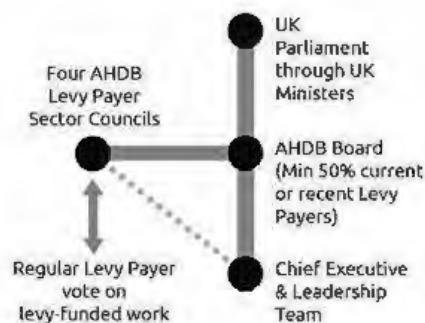
I consider the Annual Report and Accounts as a whole to be fair, balanced and understandable.

Governance Statement 2023/24

AHDB is an executive non-departmental public body established under the Agriculture and Horticulture Development Board Order 2008. AHDB levy income is covered by HM Treasury rules for the governance of public money, and the Department for Environment, Food and Rural Affairs (Defra) acts as AHDB's 'sponsor' government department. As AHDB's Accounting Officer, I am accountable to Ministers in Defra and the devolved governments on the appropriate use of levy funds and corporate governance standards applicable to public bodies. A Framework Document sets out the arrangements within which AHDB, Defra and the devolved governments are required to operate in their relationship.

As Accounting Officer, I am responsible for maintaining a sound process of governance and a system of internal control that supports the achievement of AHDB's policies, aims and objectives while safeguarding the public funds and assets in accordance with the responsibilities assigned to me.

Governance framework – AHDB board and committees



AHDB Governance

The AHDB board consists of a maximum of 10 non-executive members and is led by a chair. Board membership consists of current or recent levy payers and independent members with appropriate skills and a proven understanding of the challenges and opportunities facing the industry. The members of the AHDB board are appointed by Ministers from all four constituent countries of the UK. As of 31 March 2024, there were nine board members in post, including the chair. AHDB continues to support the UK Board Apprenticeship scheme.

In compliance with HM Treasury's corporate governance code for central government, the board operates with the support of two sub-committees: an Audit and Risk Assurance Committee (ARAC) and a Remuneration and Nominations Committee (RemNom).

The board is also supported through a structure of four advisory committees, known as sector councils, comprised of members appointed by AHDB to provide expertise on their specific sector. Each sector council has functions delegated from the AHDB board, including developing the most appropriate strategies to meet the challenges of their sector, within the framework of the AHDB Corporate Strategy.

The main components of the AHDB governance framework are designed to deliver accountability and responsibility for what AHDB does and how it does it.

- The AHDB board is accountable to Parliament (through Ministers) for what AHDB does. It is appointed on a skills basis. Recruitment for two new board members was completed during the reporting period, with terms of office commencing in April 2024.
- The board is supported by four advisory sector committees, called sector councils. The sector councils decide what strategic programmes of work are needed to support their sectors and also what recommended levy rate is needed to fund that work. These councils are comprised of levy payers for that respective sector, with appointments confirmed through a levy payer vote.
- The sector councils are informed in their decision-making through a regular (at least five-yearly) open vote by levy payers on strategic work programmes. These are proposed by the sector councils and AHDB executive to address the key priorities identified in each sector. There will also be annual voting, where necessary, for ratification of sector council appointments and reappointments. 20 members were ratified into post through a vote in Autumn 2023 – 10 new and 10 second-term members.
- The AHDB executive is responsible for 'how' the strategic work programmes are delivered. Sector councils cannot discharge executive functions. The executive is currently comprised of a Leadership team of two divisional directors, HR Director and Finance Director, reporting to the Chief Executive Officer. The Leadership team is supported by 10 specialist directors to work with the sectors or manage the key operational delivery teams such as exports, marketing, science and economic analysis.

Board focus

During 2023/24 the board focused time on the delivery of AHDB's strategy and the four published sector plans. In particular, the board considered:

- Delivery against new sector plans following the Shape the Future campaign
- The continued winding-down of activities in the Horticulture and Potato sectors
- How we deliver better levy payer engagement from our communications and technical campaigns
- How we work with other bodies such as Red Tractor to deliver the outcomes desired by levy payers
- How we evaluate the value for money to levy payers from our work
- The culture within the organisation and how this allows AHDB deliver for our levy payers.

Attendance of the board members at the formal board and committee meetings held during the year was:

	Board		ARAC		RemNom	
	Available	Attended	Available	Attended	Available	Attended
Nicholas Saphir	6	5			4	4
Colin Bateman	6	6			4	4
Tom Clarke	6	6			4	4
Stephen Briggs	6	6	5	4		
Lyndon Edwards	6	6	5	3		
Catherine MacKenzie	6	6			4	4
Sarah Pumfrett	6	6	5	5		
Mike Sheldon	6	6			3	2
Janet Swadling	6	6	5	5		

- In addition to the six formal board meetings listed above, board members were invited to several informal online briefing sessions throughout the reporting period.
- ARAC held four scheduled meetings, with the fifth being an additional meeting called to consider the ARA. Two meetings of the Committee held were not quorate, however, the Committee did not carry out any business at these meetings that would raise a governance concern.
- The four sector councils held 18 meetings between them.

As of April 2024, the terms of office for Mike Sheldon and Janet Swadling came to an end. Recruitment for two board vacancies was successfully completed during the reporting period, with initial three-year terms of office commencing in April 2024. Glen Nimmo was appointed as a board member and chair of the Pork Sector Council, and Graeme Jack was appointed as an independent board member. Fred Sworder continued as an AHDB board observer as part of the UK Boardroom Apprentice Scheme until 31 December 2023. As of 1 January 2024, Anthony Taylor attended as AHDB board observer as part of the scheme.

The CEO/Accounting Officer, members of the Leadership team and the Governance Manager attended board meetings.

The AHDB Executive Leadership Team

The AHDB Leadership team is the executive team responsible for ensuring the delivery of the strategy and objectives set by the board and supervising the day-to-day management operations within AHDB. The team meets informally weekly and formally monthly to monitor and review both the performance of the organisation and manage specific operational matters.

During the reporting period, there were changes to the AHDB Executive Leadership Team, with Tim Rycroft leaving his role as CEO/Accounting Officer on 31 December 2023. From 1 January 2024 to 29 February 2024 Ken Boyns acted as Interim Accounting Officer during a period of transition before my joining the organisation on 1 March 2024. Both Tim and Ken provided me with an Accounting Officer handover letter when I joined AHDB. I have also received assurance statements for 2023/24 from directors within the organisation concerning their areas of responsibility.

Board performance and effectiveness

In addition to the external board and governance evaluation described earlier, the effectiveness of the board is assessed by the Chair conducting individual appraisals of each board member on an annual basis. The board also assesses its own effectiveness by individually completing evaluations annually. No concerns were raised through either evaluation process and board and the individual board member contributions were determined to remain effective.

Conflicts of interest were declared and monitored throughout the year. Conflicts that needed to be managed included: Sarah Pumfrett as Chair of AHDB ARAC, Chair

of Livestock Information Limited ARAC and Non-Executive Director of Livestock Information Limited, which was mitigated by declaring the conflict at the start of the specific discussion items and not participating in the discussion or being allowed to vote on the decision.

The AHDB board also managed potential conflicts related to the MLC Pension Scheme and HGCA Pension Plan for board members and senior executives who are also directors of the pension trustee company for the scheme and plan by being clear in respective meetings which interest they represented and not participating in items where there was a conflict.

Quality of management information

The standard format board reporting, use of dashboards, and strategic target setting continued to be improved upon to provide appropriate levels of information for decision making.

Corporate governance effectiveness

As Accounting Officer, I have the responsibility of reviewing the effectiveness of the process of governance. My review of the effectiveness is informed by the work of the internal auditors and the senior directors within AHDB, who have responsibility for the development and maintenance of the governance processes and internal control framework.

I have been advised by the board and the ARAC in my review of the effectiveness of the system of internal control.

AHDB embraces and is committed to the principles and requirements of good corporate governance. The process of corporate governance continues to be embedded throughout the organisation during the year ended 31 March 2024 and up to the date of approval of the Annual Report and Accounts and accords with HM Treasury guidance.

The board considers it has complied with the corporate governance in the central government department's code of good practice insofar as it applies to externally funded arm's length bodies.

No significant internal control issues were brought forward from 2022/23 and no new ones were raised in 2023/24. As a result, I consider that AHDB governance remains effective and appropriate.

Audit and Risk Assurance Committee (ARAC)

Membership of the ARAC is detailed on page 24. Meeting attendance is covered in the table on page 20.

The ARAC Terms of Reference define how it supports the AHDB board and the Accounting Officer with a constructive and challenging approach. The remit of the ARAC includes advising the Accounting Officer and board on strategic processes for risk assessment, management and control, governance and the Governance Statement. It also considers the planned activity and results of both internal and external audit.

ARAC was satisfied that the general level of management and financial control was sufficient to assure the board and levy payers that the processes, systems and risk

management techniques applied to AHDB operations were fit for purpose.

ARAC has self-assessed against the required skills matrix, and though no gaps were disclosed, members completed training activities to further their knowledge. Janet Swadling, a member of ARAC, continued to sponsor and oversee the counter-fraud initiatives and action plan until the end of her term of office at the end of the reporting period.

ARAC ensured that it received enough information throughout the year to assure itself that sufficient progress was made in key areas including data, information management and cyber security.

In reviewing the effectiveness of AHDB's internal control, ARAC undertook the following key activities:

Internal control: The AHDB executive discusses significant control issues and risks with the ARAC. The process allows for a robust challenge from ARAC to the executive and agreement and monitoring of subsequent actions. Assurance was obtained that key internal control recommendations made by internal and external auditors had been implemented by management. ARAC requested explanations and agreed on what remedial steps would be taken for any actions that had been delayed.

Financial reporting: An understanding of the current areas of greatest financial risk and how the executive is managing these effectively was obtained. Significant risks and exposures were discussed with management and the internal and external auditors. Management's plans to minimise and manage such risks were discussed, including the liability of the defined benefit pensions and the implementation of the reserves policy (refer to specific risks, page 23). No instances of fraud or error were discovered or disclosed.

Internal audit: The activities and organisational structure of the internal audit function were reviewed, and assurance was provided that no unjustified restrictions or limitations were imposed. ARAC ensured that significant findings and recommendations made by the internal auditors were received and discussed on a timely basis and that management responded appropriately, challenging management on the timeliness of responses where appropriate.

Throughout 2023/24, AHDB's internal audit function was outsourced to RSM. The function operates to standards defined in the Government Internal Audit Standards. The internal audit function has a central role in assessing the robustness of the implementation of the risk management strategy and management of internal controls across AHDB. It provides information on the various strengths and weaknesses and advises on where improvements are necessary and desirable for the good governance of AHDB. The internal audit plan for AHDB is set and approved annually by ARAC. RSM's annual internal audit report for 2023/24 gave the second-highest rating, being "the organisation has an adequate and effective framework for risk management, governance and internal control", which is the same as the previous year. There are four possible rating categories, from 'Substantial' through 'Reasonable' and 'Partial' to 'No' assurance.

During 2023/24 the internal audit areas covered, were:

Audit area	Rating
Overhead Apportionment	Substantial assurance
Zero Based Budgeting	Substantial assurance
IT Key Controls	Reasonable assurance
Data Management and Security	Partial assurance
Cyber Security	Partial assurance
Internal audit follow-up	Reasonable progress

AHDB has considered the overall management of internal control and governance throughout the year and can confirm there are no issues requiring specific disclosure beyond those explained above.

External audit: The audit scope and approach proposed by the external auditor were reviewed and assurance was provided that no unjustified restrictions or limitations had been placed on the scope. ARAC considered the independence of the external auditor and ensured that significant findings and recommendations were received and discussed on a timely basis and that management responded appropriately to recommendations.

Business critical models

AHDB uses a small number of financial models within its planning and analysis area. The financial models come under the ownership of the Financial Controller, with the oversight of the Finance Director, and are maintained and assured by suitably skilled specialists within the Financial Controller's team.

Other assurances

During 2023/24 AHDB's primary market intelligence datasets were produced using quality management systems that are certified to the internationally recognised ISO 9001:2015 standard. This incorporates our policies, processes and procedures, which safeguard the quality, efficiency and consistency of our systems. It helps us to continuously improve customer satisfaction and provides a basis for business excellence.

AHDB incorporates the government functional standards where applicable, for example during 2023/24 the guidance on General Grants was used to ensure a grant business case was addressing best practice.

Risk: Business risks continued to be monitored and managed across the organisation. AHDB continually seeks to improve internal risk management and embed this within the organisation. During the reporting period, AHDB sourced new risk management software with the aim of providing greater oversight of risk within the organisation and mitigating controls. Extensive risk management training was also delivered to the AHDB Executive Leadership Team and other members of staff within the organisation. See below for more detail on risks.

Remuneration and Nominations Committee

Membership of the Remuneration and Nominations Committee is detailed on page 24, and attendance is recorded in the table on page 20. The committee is

chaired by an AHDB board member and includes two other board members, plus the AHDB Chair.

During 2023/24 the Remuneration and Nominations Committee met four times, when it:

- Approved the implementation of government guidelines on pay, which was a 4.5% award for this year
- Approved the recruitment for new sector council members
- Determined the strategic direction of compensation and benefits across the organisation and provided the AHDB board with assurances on performance and reward
- Reviewed the gender pay gap within AHDB and the actions being taken to reduce this

Whistleblowing policy

AHDB is committed to high standards of openness and accountability, and concerns about malpractice are taken very seriously. A disclosure to AHDB, based on an honest and reasonable suspicion that malpractice has occurred, is occurring or is likely to occur, will be protected. Employees who raise concerns reasonably and responsibly will not be penalised. During 2023/24 there were no concerns raised under the whistleblowing policy.

Risk management

The AHDB Governance Manager continued to operate as the key manager for risk management within AHDB. The CEO remains the overall sponsor of risk management within the organisation.

AHDB's risk management policy constitutes a key element of the internal control and corporate governance framework. Senior management team members are responsible for ensuring that risks to the delivery of strategy and to AHDB have been properly identified, assessed and managed across their work areas. They are responsible for escalating risks to the AHDB Executive Leadership Team for its attention when necessary. Through its monitoring, AHDB was satisfied that it was not subject to any risks in relation to Russia's invasion of Ukraine.

Risk appetite

Following an annual review of AHDB risk appetite, the board deemed that no changes were necessary to that agreed in 2021/22. An extensive review of AHDB risk appetite is planned for the reporting period 2024/25.

LI Limited

LI Limited continues with the development of the Livestock Information Programme. In 2023/24 LI continued to provide the sheep traceability service and further developed a UK-wide view of movement traceability.

Following a member resolution effective 1 November 2023, AHDB's holding of voting rights in LI Limited reduced from 51% to 15% and AHDB's power to appoint board directors reduced to one position. AHDB has fully consolidated the financial results of LI Limited for the period of 1 April 2023 to 31 October 2023 as part of the financial results for the AHDB Group. The other member of LI Limited is Defra. Defra's interest is represented as a non-controlling interest in AHDB's consolidated statement

of comprehensive net expenditure. See further information in Note 12 of the Financial Statements.

Specific risks

In 2023/24 a total of fifteen risks were identified and managed at a corporate level. Of those, the following risks were reviewed most frequently.

Legacy pension schemes: AHDB continued to work closely with the Trustee Directors of the two legacy defined benefit pension schemes the organisation is responsible for funding. This work was to support the reduction of volatility in the schemes that continued into 2023/24 – more information is provided in the section on pensions.

Levy rate increase: During the reporting period, the four sector councils alongside the AHDB Executive Leadership and board continually discussed the levy rates set for each sector and potential impact to work planned in those sectors in relation to levy collected. With ambitious strategic plans for each sector, there would have been significant impact on certain sectors and workstreams if levy increases for 2024/25 could not be secured. Levy increases for the forthcoming financial year were approved by Ministers in February 2024.

Inability to deliver appropriate corporate administration/lack of staff capacity: The organisational changes and reorganisation instigated in previous reporting periods continue to increase the risk to the delivery of ongoing services and administration. AHDB continued to monitor and manage organisational change

closely to ensure there was no adverse impact on levy payers.

Personnel: The AHDB board, its committees and the Executive Leadership Team considered several risks relating to personnel. These included impacts on the wider employment landscape to recruitment and retention of staff, potential implications of the civil service headcount cap introduced within Defra and the removal of the offer of private medical insurance to all new employees.

Levy payer sentiment: The organisation considered several risks in relation to levy payer sentiment both within and outside of AHDB control.

Conclusion

As Accounting Officer, I have considered the evidence provided regarding the operation of internal control, the independent advice and assurance provided by the Audit and Risk Assurance Committee, the results of the internal audit assurance process, the observations of the external auditor and discussion with those who have also fulfilled the Accounting Officer role during the reporting period. Taking this evidence into account, I am content that appropriate systems of internal control and risk management have been in place for the year under review and up to the date of approval.

AHDB board and statutory committees at 31 March 2024

AHDB is managed by a board whose members are appointed by the Ministers of all four UK constituent countries. It consists of up to 10 non-executive members, including the chair. Board membership consists of current or recent levy payers and independent members with appropriate skills and a proven understanding of the skills and opportunities facing the industry.

AHDB board

Chair:	Nicholas Saphir
Independent members:	Stephen Briggs Dr Catherine MacKenzie Sarah Pumfrett Janet Swadling OBE
Specialist members and sector board/council chairs:	Colin Bateman, levy payer and Chair of Beef & Lamb Sector Council Tom Clarke, levy payer and Chair of Cereals & Oilseeds Sector Council Lyndon Edwards, levy payer and Chair of Dairy Sector Council Mike Sheldon, Chair of AHDB Pork Sector Council

Further details of board appointments can be found in the Governance Framework section of the Governance Report and in the Remuneration and Staff Report.

Biographical details of current board members are published on www.ahdb.org.uk

A register of AHDB board member interests is maintained and can be obtained by writing to: AHDB Governance Manager, Agriculture and Horticulture Development Board, Siskin Parkway East, Middlemarch Business Park, Coventry CV3 4PE.

Statutory committees

AHDB Audit and Risk Assurance Committee

Sarah Pumfrett (Chair) – AHDB independent board member
Stephen Briggs – AHDB independent board member
Lyndon Edwards – AHDB board member, Dairy Sector Council representative
Janet Swadling OBE – AHDB independent board member

AHDB Remuneration and Nominations Committee

Dr Catherine MacKenzie (Chair) – AHDB independent board member
Colin Bateman – AHDB board member
Tom Clarke – AHDB board member
Nicholas Saphir – Chair, AHDB board
Mike Sheldon – AHDB board member

Terms of reference for both statutory committees are published on www.ahdb.org.uk

Remuneration and staff report

Membership of the Remuneration and Nominations Committee

Membership of the Remuneration and Nominations Committee consists of at least three AHDB board members appointed by the board. The membership is detailed on page 24, and attendance is recorded in the table on page 20. Membership is reviewed periodically or upon termination of a member's appointment to the board.

Policy on the remuneration of the board, Chief Executive and senior managers

The remuneration of board members is determined by Defra Ministers. There are no pension arrangements or performance-related emoluments in place for any board members.

The Remuneration and Nominations Committee's function in relation to its responsibilities regarding remuneration is as follows (a summary of the activity of the committee regarding nominations is included in the Governance Statement):

- Advise Defra on the number of days of commitment required from AHDB board members
- Set the remuneration for the sector board/sector council members
- Advise the board, in consultation with Defra, on the performance objectives and remuneration terms linked to these objectives for the AHDB Chief Executive
- Advise the board on the total remuneration packages for the Leadership team in the AHDB Group, including pay, benefits and pension arrangements
- Advise the board, in consultation with the Chief Executive, on the proposals for any annual review for staff in general and salary structure and gender pay
- Provide oversight to the board on the pension schemes

In detail, the Remuneration and Nominations Committee is specifically charged with determining AHDB's policy on the remuneration of those covered by the scope of this committee to ensure these packages are appropriate to attract, retain and motivate senior staff of appropriate calibre, in line with the needs of AHDB and the industry.

In this context, the committee gives full consideration to the best-practice provisions for remuneration policy, contracts and compensation.

See the tables on the following pages for full details of the remuneration of the board and Leadership team.

Methods used to assess whether performance conditions are met

The committee considers and, if appropriate, approves the Chair of the board's recommendation concerning the salary for the Chief Executive on an annual basis.

Proportion of remuneration which is subject to performance conditions

AHDB does not have a performance remunerations scheme for any employees, including board members and the Leadership team.

Policy on duration of contracts, notice periods and termination payments

Ministers have the right to terminate the appointment of any board member for any reason specified in the Statutory Instrument 2008 No. 576 (Schedule 2, paragraph 2(3)).

Board members may resign by written notice to the appropriate authority (Secretary of State or other Ministers, if appropriate). This does not require a notice period and no termination payments apply. Board appointments are ordinarily made for terms of three years.

The Leadership team are appointed on permanent contracts. All their notice periods are six months to reflect the business needs of the organisation, and any termination payments made would be on contractual terms only.

Contracts of employment for the Leadership Team

Set out below are details of the contracts of employment for AHDB's Leadership Team as at 31 March 2024.

	Contract start date	Contract expiry date	Contract notice period	Unexpired term	
Tim Rycroft: Chief Executive Officer (until 31 December 2023)	31-Aug-21	31-Dec-23	6 months	Not applicable	Note 1
Graham Wilkinson: Chief Executive Officer (from 1 March 2024)	1-Mar-24	Indefinite	6 months	Not applicable	Note 2
Ken Boyns: Divisional Director of Services	31-Aug-21	Indefinite	6 months	Not applicable	
Tony Holmes: Finance Director	18-Jul-22	Indefinite	6 months	Not applicable	
Will Jackson: Divisional Director of Engagement	31-Aug-21	Indefinite	6 months	Not applicable	
Jackie Kay: HR Director	1-Oct-19	Indefinite	6 months	Not applicable	

Contract start dates indicated above reflect the start date in those positions.

Note 1:

Tim Rycroft left AHDB on 31 December 2023. From 1 January 2024 to 29 February 2024, Ken Boyns acted as Interim Accounting Officer.

Note 2:

Graham Wilkinson became Chief Executive Officer and Accounting Officer on 1 March 2024.

Remuneration of the Leadership team (audited)

Set out below are details of the remuneration of AHDB's Leadership team actually paid during the year to 31 March 2024, with full-year equivalent values provided beneath the table, where appropriate. The pension benefit figures in the table reflect the employer's contribution during the year to a defined contribution scheme. No other non-cash benefits were provided.

	Basic salary (Bands of £5,000)		Bonus (Bands of £5,000)		Benefits in kind (Nearest £100)		Pension benefit (Nearest £1,000)		Total (Bands of £5,000)	
	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
Tim Rycroft: Chief Executive Officer (until 31 December 2023)	115-120	150-155	-	-	400	700	12,000	15,000	130-135	165-170
Graham Wilkinson: Chief Executive Officer (from 1 March 2024)	10-15	-	-	-	-	-	1,000	-	10-15	-
Ken Boyns: Divisional Director of Services	115-120	110-115	-	-	7,100	7,300	12,000	11,000	135-140	130-135
Tony Holmes: Finance Director (from 18 July 2022)	100-105	65-70	-	-	7,100	5,100	10,000	7,000	115-120	80-85
Will Jackson: Divisional Director of Engagement	105-110	100-105	-	-	7,100	10,600	11,000	10,000	125-130	120-125
Jackie Kay: HR Director	100-105	95-100	-	-	7,100	7,300	10,000	10,000	115-120	110-115

For 2023/24:

The full-year equivalent salary in this period are as follows: Tim Rycroft £155k–£160k. Graham Wilkinson £145k–£150k.

The value provided in the table for Ken Boyns includes remuneration in consideration of the Accounting Officer role for January and February 2024.

For 2022/23:

The full-year equivalent salary in this period are as follows: Tony Holmes £95k–£100k.

Pension scheme particulars of the Leadership team (audited)

Set out below are the pension scheme particulars of AHDB's Leadership team during the year to 31 March 2024.

	Pension Scheme details	Employees contribution rate	Employers contribution rate
Tim Rycroft: Chief Executive Officer (until 31 December 2023)	AHDB Group Personal Pension Plan	10.0%	10.0%
Graham Wilkinson: Chief Executive Officer (from 1 March 2024)	AHDB Group Personal Pension Plan	4.0%	8.0%
Ken Boyns: Divisional Director of Services	AHDB Group Personal Pension Plan	5.0%	10.0%
Tony Holmes: Finance Director	AHDB Group Personal Pension Plan	5.0%	10.0%
Will Jackson: Divisional Director of Engagement	AHDB Group Personal Pension Plan	5.0%	10.0%
Jackie Kay: HR Director	AHDB Group Personal Pension Plan	5.0%	10.0%

Fair pay report (audited)

Reporting bodies are required to disclose the relationship between the remuneration of the highest-paid director in their organisation and the lower quartile, median and upper quartile remuneration of the organisation's workforce.

The annualised, banded remuneration, excluding pension benefit, of the highest-paid executive employed by AHDB in the financial year 2023/24 was £155k–£160k (2022/23, £150k–£155k), a 3.3% increase compared to 2022/23.

The ratios between the mid-point of the banded remuneration (excluding pension benefits) of the highest-paid director at 31 March 2024 and the lower quartile, median and upper quartile for staff pay are as follows:

	Lower Quartile	Median	Upper Quartile
2023/24	4.3 : 1	3.4 : 1	2.7 : 1
2022/23	4.6 : 1	3.7 : 1	3.0 : 1

The lower quartile, median and upper quartile for staff salaries and total pay and benefits (in £) are as follows:

	Lower Quartile		Median		Upper Quartile	
	2023/24	2022/23	2023/24	2022/23	2023/24	2022/23
Salary	34,043	32,281	39,970	38,000	52,122	48,817
Total Pay and Benefits	34,482	33,295	43,731	41,399	54,309	51,657

In 2023/24 and 2022/23, no employees received remuneration in excess of the annualised amount paid to the Chief Executive. Remuneration during the year ranged from a minimum of £15k–£20k to a maximum of £155k–£160k (2022/23: £15k–£20k to £150k–£155k) and, when taken as a whole, employee salary and allowances increased by 6.1% in 2023/24 when compared to 2022/23.

Total remuneration includes salary and benefits-in-kind. It does not include severance payments, employer pension contributions and the cash-equivalent transfer value of pensions. AHDB does not make performance-related payments or bonuses.

Emoluments of AHDB board members (audited)

Set out below are details of the emoluments of AHDB's board members during the year ended 31 March 2024. The 2023/24 figures include a total of £14k for related expenses (2022/23: £12k). No other cash or non-cash benefits were provided to AHDB board members.

Board Member	Role(s)	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000
Nicholas Saphir	Chair of AHDB Board, RemNom	55-60	55-60
Colin Bateman	Chair of Beef and Lamb Sector Council, RemNom	30-35	25-30
Sarah Bell	Board Member of AHDB, RemNom	-	10-15
Stephen Briggs	Board Member of AHDB, ARAC	20-25	20-25
Tom Clarke	Chair of Cereals & Oilseeds Sector Council, RemNom	20-25	-
Lyndon Edwards	Chair of AHDB Dairy Sector Council, ARAC	35-40	30-35
Dr Catherine MacKenzie	Board Member of AHDB, Chair of RemNom	15-20	10-15
Sarah Pumfrett	Board Member of AHDB, Chair of ARAC	10-15	10-15
Mike Sheldon	Chair of AHDB Pork Sector Council, RemNom, MLC Pension Plan Trustee Director	25-30	20-25
Janet Swadling OBE	Board Member of AHDB, ARAC, Chair of HGCA Pension Plan Trustees	20-25	20-25

RemNom indicates a member of the AHDB Remuneration and Nominations Committee.

ARAC indicates a member of the AHDB Audit, Risk and Assurance Committee.

Sarah Pumfrett was also an LI Limited board member during 2022/23, receiving £0.

More details regarding LI Limited board member membership can be found in the LI Limited Annual Report and Accounts.

Set out below are the details of board members' terms of office (not subject to audit):

	Contract start date	Contract end date	
Nicholas Saphir: Chair of AHDB	1-Apr-20	31-Mar-25	Note 1
Colin Bateman: Chair of AHDB Beef and Lamb Sector Council	13-Sep-21	12-Sep-24	
Sarah Bell: Chair of AHDB Cereals and Oilseeds Sector Council	13-Sep-21	31-Jul-22	
Stephen Briggs: Board Member of AHDB	13-Sep-21	12-Sep-24	
Tom Clarke: Chair of AHDB Cereals and Oilseeds Sector Council	1-Apr-23	31-Mar-26	
Lyndon Edwards: Chair of AHDB Dairy Sector Council	13-Sep-21	12-Sep-24	
Dr Catherine MacKenzie: Board Member of AHDB	13-Sep-21	12-Sep-24	
Sarah Pumfrett: Board Member of AHDB	1-Apr-20	31-Mar-26	
Mike Sheldon: Chair of AHDB Pork Sector Council	10-Apr-17	9-Apr-24	Note 2
Janet Swadling OBE: Board Member of AHDB	31-May-18	31-Mar-24	Note 3

Note 1:

Nicholas Saphir was re-appointed Chair of AHDB for one year, with effect from 1 April 2024.

Note 2:

Mike Sheldon's term as board member and Chair of AHDB Pork Sector Council ended on 9 April 2024. Glen Nimmo was appointed to the position by Defra with effect from 10 April 2024.

Note 3:

Janet Swadling's term as independent board member ended on 31 March 2024. Graeme Jack was appointed to the position by Defra with effect from 1 April 2024.

Staff report

AHDB is supported by a dedicated team of permanent staff.

Staff costs and average numbers (audited): For the year ended 31 March 2024, AHDB employed an average full-time equivalent (FTE) of 333 staff (355 in the previous year), of which three FTE were funded through non-levy sources (14 reported in the previous year). In addition, as of 31 October 2023, there were 27.6 FTEs employed for LI Limited (12 in the previous year based on a full year average). One was employed under other contractual arrangements for LI Limited (none in the previous year).

Our staff turnover (unaudited) ran at 22% (105 leavers), reduced from 29% in the previous year (AHDB only).

Total staff costs for 2023/24 were £19.4 million (2022/23, £19.9 million). AHDB have used no temporary agency staff resources, so there has been no spend on this in 2023/24 (2022/23, £15k). Further breakdown of staff costs is included in Note 3.

Staff composition: As at 31 March 2024, the gender split of the AHDB headcount of 358 was 234 (65%) females and 124 (35%) males (2022/23 69% female, 31% male).

For staff working on levy-dependent activities, the split was 232 (65%) females and 123 (35%) males (2022/23, 68% female, 32% male). Of the five members of the Leadership team, four were male and one was female.

Sickness absence data: Absence due to sickness is monitored across AHDB and LI Ltd.

AHDB: In the year ending 31 March 2024, total days lost through sickness was 1,295.61 (2022/23: 1,380). The days lost through sickness equated to 3.89 days per FTE (2022/23: 3.89 days), or 1.94% of total attendance (2022/23: 1.61%).

LI Limited: In the seven months ending 31 October 2023, total days lost through sickness was 15 (2022/23 full year: 28). The days lost through sickness equated to 0.7 days per FTE (2022/23: 2.8 days), or 0.06% of total attendance (2022/23: 1.16%).

Human resources (HR) strategy: During 2023/24 we continued to implement our HR strategy to support AHDB's purpose and corporate priorities:

- We are committed to ensuring equality, diversity and inclusion in the workplace and ensure we train and develop our employees to embrace the values of our policy. We continue to be registered as a disability-confident employer and are working closely with Defra on an equality, diversity and inclusion working group
- Promoting employee engagement by continuing to conduct regular engagement surveys and meet the employee voice group monthly to discuss engagement and gather feedback from colleagues on business issues
- Delivering high-quality HR advice and support to enable managers to maximise employee performance and potential
- Developing and maintaining transparent and consistently applied HR policies and procedures

- Designing and embedding learning and development opportunities to ensure colleagues were able to engage in training and fulfil their potential
- Developing a transparent and equitable pay and reward structure
- Developing and maximising the use of IT systems within the HR function
- We have received our Thrive accreditation, Workplace Wellbeing Foundation Award and are working towards our Bronze accreditation
- We recognise and accept our responsibility for the health, safety and welfare at work of all employees (on AHDB premises or AHDB business elsewhere), in accordance with the Health and Safety at Work etc. Act 1974 and all relevant health, safety and environmental codes of practice and legislation currently in force. We attach the greatest importance to the health, safety and welfare of employees and others who may be affected by our work

Gender pay gap: At 31 March 2023, AHDB's mean gender pay gap was 21.5% and the median gender pay gap was 19.6% (31 March 2022: 19.3% and 18.2%, respectively). Progress is closely monitored on a regular basis towards our commitment to closing the overall mean and median gender pay gap. In accordance with government requirements, data reported for the gender pay gap is always published a year in arrears.

Annual staff survey: A culture survey was conducted by an external consultancy, Dragonfish, in June 2023 and a health and wellbeing survey was conducted by Thrive At Work in September 2023. Following the health and wellbeing survey, a robust action plan was put in place, which is reviewed regularly by the Leadership team. The employee voice group meets monthly to discuss engagement and gather feedback from colleagues on business issues.

Consultants and off-payroll arrangements: AHDB spent £125k on the services of external consultants during 2023/24 (2022/23, £0k). See also the contractors section on page 18. Off-payroll engagements are set out on page 30.

Compensation and exit packages agreed for the year to 31 March 2024 (audited)

Exit packages cost band	Number of compulsory redundancies		Number of other departures agreed		Total number of exit packages by cost band	
	for the period ended 31 March 2024	for the year ended 31 March 2023	for the period ended 31 March 2024	for the year ended 31 March 2023	for the period ended 31 March 2024	for the year ended 31 March 2023
< £10,000	4	5	2	-	6	5
£10,000 - £25,000	1	2	-	1	1	3
£25,000 - £50,000	-	4	-	-	-	4
£50,000 - £75,000	-	-	-	-	-	-
£75,000 - £150,000	1	1	-	1	1	2
Total number of exit packages	6	12	2	2	8	14
Total cost	£ 103,076	£ 287,361	£ 8,538	£ 112,274	£ 111,614	£ 399,635

Any exit packages were in accordance with relevant pension scheme rules and contractual entitlements. None of the exit packages related to senior managers in the year ended 31 March 2024 and four in the year ended 31 March 2023.

Off-payroll engagements

Off-payroll engagements as of 31 March 2024, for more than £245 per day

	GROUP	AHDB
Number of existing engagements as of 31 March 2024	14	14
Of which...		
Number that have existed for less than one year at time of reporting	6	6
Number that have existed for between one and two years at time of reporting	3	3
Number that have existed for between two and three years at time of reporting	0	0
Number that have existed for between three and four years at time of reporting	0	0
Number that have existed for four or more years at time of reporting	5	5

All off-payroll engagements, between 1 April 2023 and 31 March 2024, for more than £245 per day

	GROUP	AHDB
Number of off-payroll workers engaged during the year ended 31 March 2024	158	82
Of which...		
Not subject to off-payroll legislation	38	35
Subject to off-payroll legislation and determined as in-scope of IR35	-	-
Subject to off-payroll legislation and determined as out-of-scope of IR35	120	47
Number of engagements reassessed for compliance or assurance purposes during the year	94	49
Of which: number of engagements that saw a change to IR35 status following review	-	-

There were no off-payroll engagements of board members and/or senior officials with significant financial responsibility between 1 April 2023 and 31 March 2024.

Parliamentary accountability and audit report (audited)

Regularity of expenditure – AHDB has considered all of its activities during the year and confirms they are in accordance with the legislation authorising them. In 2021/22, irregularity was identified around the organisation's employee benefits package, specifically offering private medical insurance to all employees, which had been in place for many years. AHDB is working closely with Defra colleagues to resolve this issue moving forward. The cost of private medical insurance in 2023/24 was £134k (2022/23; £185k).

AHDB incurred no losses totalling more than £300k in the year or gifts or special payments totalling more than £300k in the year.

Contingent liabilities, Note 20 to the Accounts, details our contingent liabilities. There are no remote contingent liabilities.

Graham Wilkinson
Chief Executive and Accounting Officer
Agriculture and Horticulture Development Board

11 July 2024

THE CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT, THE SCOTTISH PARLIAMENT, THE SENEDD CYMRU, AND THE NORTHERN IRELAND ASSEMBLY

Opinion on financial statements

I certify that I have audited the financial statements of the Agriculture and Horticulture Development Board and its Group for the year ended 31 March 2024 under the Agriculture and Horticulture Development Board Order 2008.

The financial statements comprise the Agriculture and Horticulture Development Board and its Group's:

- Statement of Financial Position as at 31 March 2024;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Equity for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the Group financial statements is applicable law and UK-adopted International Accounting Standards.

In my opinion, the financial statements:

- give a true and fair view of the state of the Agriculture and Horticulture Development Board and its Group's affairs as at 31 March 2024 and their deficit for the year then ended; and
- have been properly prepared in accordance with the Agriculture and Horticulture Development Board Order 2008 and Secretary of State directions.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements and Regularity of Public Sector Bodies in the United Kingdom (2022)*. My responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I am independent of the Agriculture and Horticulture Development Board and its Group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have fulfilled our other ethical responsibilities in accordance with these requirements.

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

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the Agriculture and Horticulture Development Board and its Group's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Agriculture and Horticulture Development Board and its Group'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.

My responsibilities and the responsibilities of the Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

The going concern basis of accounting for the Agriculture and Horticulture Development Board and its Group is adopted in consideration of the requirements set out in HM Treasury's Government Financial Reporting Manual, which requires entities to adopt the going concern basis of accounting in the preparation of the financial statements where it is anticipated that the services which they provide will continue into the future.

Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements and my auditor's certificate and report thereon. The Accounting Officer is responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

My responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration and Staff Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the Agriculture and Horticulture Development Board Order 2008.

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

- the parts of the Accountability Report subject to audit have been properly prepared in accordance with Secretary of State directions made under the Agriculture and Horticulture Development Board Order 2008; and
- the information given in the Performance and Accountability Reports for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the Agriculture and Horticulture Development Board and its Group and their environment obtained in the course of the audit, I have not identified material misstatements in the Performance and Accountability Reports.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- adequate accounting records have not been kept by the Agriculture and Horticulture Development Board and its Group or returns adequate for my audit have not been received from branches not visited by my staff; or
- I have not received all of the information and explanations I require for my audit; or
- the financial statements and the parts of the Accountability Report subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by HM Treasury's Government Financial Reporting Manual have not been made or parts of the Remuneration and Staff Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Board and Accounting Officer for the financial statements

As explained more fully in the Statement of Accounting Officer's Responsibilities, the board and Accounting Officer are responsible for:

- maintaining proper accounting records;
- providing the C&AG with access to all information of which management is aware that is relevant to the preparation of the financial statements such as records, documentation and other matters;
- providing the C&AG with additional information and explanations needed for his audit;
- providing the C&AG with unrestricted access to persons within the Agriculture and Horticulture Development Board and its Group from whom the auditor determines it necessary to obtain audit evidence;
- ensuring such internal controls are in place as deemed necessary to enable the preparation of financial statements to be free from material misstatement, whether due to fraud or error;
- preparing financial statements which give a true and fair view in accordance with Secretary of State directions issued under the Agriculture and Horticulture Development Board Order 2008;
- preparing the annual report, which includes the Remuneration and Staff Report, in accordance with Secretary of State directions issued under the Agriculture and Horticulture Development Board Order 2008; and
- assessing the Agriculture and Horticulture Development Board and its Group'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 Accounting Officer anticipates that the services provided the Agriculture and Horticulture Development Board and its Group will not continue to be provided in the future.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the Agriculture and Horticulture Development Board Order 2008.

My 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 a certificate that includes my 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.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations¹, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, I:

- considered the nature of the sector, control environment and operational performance including the design of the Agriculture and Horticulture Development Board and its Group's accounting policies;

¹ Non-compliance is defined as acts of omission or commission intentional or unintentional, committed by the entity, or by those charged with governance, by management or by other individuals working for or under the direction of the entity, which are contrary to the prevailing laws or regulations. Non-compliance does not include personal misconduct unrelated to the business activities of the entity. ISA 700 uses the word "irregularities" to describe non-compliance with laws and regulations. We do not use the word irregularities to describe non-compliance within our certificates and reports as it has another meaning in the context of PN10.

- inquired of management, Agriculture and Horticulture Development Board's head of internal audit and those charged with governance, including obtaining and reviewing supporting documentation relating to the Agriculture and Horticulture Development Board and its Group's policies and procedures on:
 - identifying, evaluating and complying with laws and regulations;
 - detecting and responding to the risks of fraud; and
 - the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the Agriculture and Horticulture Development Board and its Group's controls relating to the Agriculture and Horticulture Development Board's compliance with Agriculture and Horticulture Development Board Order 2008 and Managing Public Money;
- inquired of management, Agriculture and Horticulture Development Board's head of internal audit and those charged with governance whether:
 - they were aware of any instances of non-compliance with laws and regulations;
 - they had knowledge of any actual, suspected, or alleged fraud; and
- discussed with the engagement team including the significant component audit team and where relevant external specialists, including pension actuaries regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the Agriculture and Horticulture Development Board and its Group for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, bias in management estimates. In common with all audits under ISAs (UK), I am required to perform specific procedures to respond to the risk of management override.

I obtained an understanding of the Agriculture and Horticulture Development Board and its Group's framework of authority and other legal and regulatory frameworks in which the Agriculture and Horticulture Development Board and its Group operates. I focused on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the Agriculture and Horticulture Development Board and its Group. The key laws and regulations I considered in this context included Agriculture and Horticulture Development Board Order 2008, Managing Public Money, pensions legislation and tax legislation.

Audit response to identified risk

To respond to the identified risks resulting from the above procedures:

- I reviewed the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- I enquired of management, the Audit and Risk Committee and in-house legal counsel concerning actual and potential litigation and claims;
- I reviewed minutes of meetings of those charged with governance and the Board and internal audit reports;
- I addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and other adjustments; assessing whether the judgements on estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- substantive testing of income and expenditure streams to address the risk of fraud and irregularity.

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members and significant component audit teams and where relevant external specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of my certificate

Other auditor's responsibilities

I am required to obtain sufficient appropriate audit evidence to give reasonable assurance that the expenditure and income recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

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

Report

I have no observations to make on these financial statements.

Gareth Davies
Comptroller and Auditor General

15 July 2024

National Audit Office
157-197 Buckingham Palace Road
Victoria
London
SW1W 9SP

TYSTYSGRIF AC ADRODDIAD Y RHEOLWR AC ARCHWILYDD CYFFREDINOL I DDAU DŶ'R SENEDD, SENEDD YR ALBAN, SENEDD CYMRU A CHYNULLIAD GOGLEDD IWERDDON

Barn ar y datganiadau ariannol

Tystiaf fy mod wedi archwilio datganiadau ariannol y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp ar gyfer y flwyddyn a ddaeth i ben ar 31 Mawrth 2024 o dan Orchymyn y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth 2008.

Mae'r datganiadau ariannol yn cynnwys y canlynol mewn perthynas â'r Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp:

- Y Datganiad o'r Sefyllfa Ariannol ar 31 Mawrth 2024;
- Y Datganiad o Wariant Net Cynhwysfawr, y Datganiad o Lifoedd Arian Parod a'r Datganiad o Newidiadau mewn Ecwiti ar gyfer y flwyddyn a ddaeth i ben bryd hynny; a'r
- nodiadau cysylltiedig, gan gynnwys y polisïau cyfrifyddu o bwys.

Y fframwaith adrodd ariannol sydd wedi'i gymhwyso wrth baratoi datganiadau ariannol y Grŵp yw'r gyfraith gymwys a'r Safonau Cyfrifyddu Rhyngwladol sydd wedi'u mabwysiadu yn y DU.

Yn fy marn i, mae'r datganiadau ariannol:

- yn rhoi darlun cywir a theg o gyflwr materion y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp ar 31 Mawrth 2024 a'u diffyg ar gyfer y flwyddyn a ddaeth i ben bryd hynny; ac
- wedi'u paratoi'n briodol yn unol â Gorchymyn y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth 2008 a chyfarwyddiadau'r Ysgrifennydd Gwladol.

Barn ar reoleidd-dra

Yn fy marn i, ym mhob ffordd faterol, mae'r incwm a'r gwariant a gofnodir yn y datganiadau ariannol wedi eu cymhwyso at y dibenion a fwriadwyd gan y Senedd ac mae'r trafodion ariannol a gofnodir yn y datganiadau ariannol yn cydymffurfio â'r awdurdodau sy'n eu llywodraethu.

Sail y farn

Cynhaliais fy archwiliad yn unol â'r Safonau Rhyngwladol ar gyfer Archwilio (y DU) (ISAs DU), y gyfraith gymwys a Nodyn Ymarfer 10 *Archwilio Datganiadau Ariannol a Rheoleidd-dra Cyrff Sector Cyhoeddus yn y Deyrnas Unedig (2022)*. Ceir disgrifiad pellach o'm cyfrifoldebau dan y safonau hynny yn adran *Cyfrifoldebau'r archwilydd am archwilio'r datganiadau ariannol* fy nhystysgrif.

Dan y safonau hynny, mae'n ofynnol i mi a'm staff gydymffurfio â *Safon Foesebol Ddiwygiedig 2019* y Cyngor Adrodd Ariannol. Rwyf yn annibynnol ar y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp yn unol â'r gofynion moesegol sy'n berthnasol i'm harchwiliad o'r datganiadau ariannol yn y DU. Mae fy staff a minnau wedi cyflawni ein cyfrifoldebau moesegol eraill yn unol â'r gofynion hyn.

Credaf fod y dystiolaeth archwilio yr wyf wedi ei chael yn ddigonol ac yn briodol i ddarparu sail ar gyfer fy marn.

Casgliadau'n ymwneud â busnes gweithredol

Wrth archwilio'r datganiadau ariannol, rwyf wedi dod i'r casgliad bod defnydd y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp o'r sail busnes gweithredol o gyfrifyddu wrth baratoi'r datganiadau ariannol yn briodol.

Ar sail y gwaith rwyf wedi'i gyflawni, nid wyf wedi nodi unrhyw ansicrwydd materol sy'n ymwneud â digwyddiadau neu amodau a allai, yn unigol neu ar y cyd, fwrw amheuaeth sylweddol ar allu'r Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp i barhau fel busnes gweithredol am gyfnod o ddeuddeg mis o leiaf o'r adeg y mae'r datganiadau ariannol wedi'u hawdurdodi i'w cyhoeddi.

Disgrifir fy nghyfrifoldebau i a chyfrifoldebau'r Swyddog Cyfrifyddu mewn perthynas â busnes gweithredol yn adrannau perthnasol y dystysgrif hon.

Caiff y sail busnes gweithredol o gyfrifyddu ei mabwysiadu ar gyfer y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp wrth ystyried y gofynion a nodir yn Llawlyfr Adroddiadau Ariannol y Llywodraeth, a gyhoeddwyd gan Drysorlys EF, sy'n ei gwneud yn ofynnol i endidau fabwysiadu'r sail busnes gweithredol o gyfrifyddu wrth baratoi'r datganiadau ariannol lle rhagwelir y bydd y gwasanaethau y maent yn eu darparu yn parhau i'r dyfodol.

Gwybodaeth Arall

Mae'r wybodaeth arall yn cynnwys gwybodaeth sydd wedi'i chynnwys yn yr Adroddiad Blynyddol, ond nid yw'n cynnwys y datganiadau ariannol a'm tystysgrif ac adroddiad arnynt fel archwilydd. Y Swyddog Cyfrifyddu sy'n gyfrifol am yr wybodaeth arall.

Nid yw fy marn am y datganiadau ariannol yn cwmpasu'r wybodaeth arall ac, heblaw i'r graddau a nodir yn benodol fel arall yn fy nhystysgrif, nid wyf yn mynegi unrhyw fath o gasgliad sicrwydd ar yr wybodaeth arall honno.

Fy nghyfrifoldeb i yw darllen yr wybodaeth arall ac, wrth wneud hynny, ystyried a yw'r wybodaeth arall yn faterol anghyson â'r datganiadau ariannol neu wybodaeth a gefais yn ystod yr archwiliad, neu a yw'n ymddangos fel arall fel pe bai wedi cael ei chamddatgan yn faterol.

Os byddaf yn nodi anghysondebau materol o'r fath neu gamddatganiadau materol ymddangosiadol, mae'n ofynnol i mi benderfynu a yw hyn yn arwain at gamddatganiad materol yn y datganiadau ariannol eu hunain. Os byddaf, ar sail y gwaith yr wyf wedi'i wneud, yn dod i'r casgliad bod camddatganiad materol o'r wybodaeth arall hon, mae'n ofynnol i mi adrodd y ffaith honno.

Nid oes gennyf ddim i'w adrodd yn hyn o beth.

Barn ar faterion eraill

Yn fy marn i, mae'r rhan o'r Adroddiad Cydnabyddiaeth Ariannol a Staff i'w harchwilio wedi'i pharatoi'n briodol yn unol â chyfarwyddiadau'r Ysgrifennydd Gwladol a gyhoeddwyd o dan Orchymyn y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth 2008.

Yn fy marn i, ar sail y gwaith a wnaed yn ystod yr archwiliad:

- mae'r rhannau o'r Adroddiad Atebolrwydd sy'n destun archwiliad wedi'u paratoi'n briodol yn unol â chyfarwyddiadau'r Ysgrifennydd Gwladol a wnaed o dan Orchymyn y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth 2008; ac
- mae'r wybodaeth a roddir yn yr Adroddiadau Perfformiad ac Atebolrwydd ar gyfer y flwyddyn ariannol y paratowyd y datganiadau ariannol ar ei chyfer yn gyson â'r datganiadau ariannol ac yn unol â'r gofynion cyfreithiol cymwys.

Materion yr wyf yn adrodd arnynt drwy eithriad

Yng ngoleuni'r wybodaeth a'r ddealltwriaeth am y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp a'u hamgylchedd a gafwyd yn ystod yr archwiliad, nid wyf wedi nodi unrhyw gamddatganiadau materol yn yr Adroddiadau Perfformiad ac Atebolrwydd.

Nid oes gennyf unrhyw beth i'w nodi o ran y materion canlynol, y cyflwynaf adroddiad i chi arnynt os, yn fy marn i:

- na chadwyd cofnodion cyfrifyddu digonol gan y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp neu os na chafwyd ffurflenni digonol ar gyfer fy archwiliad gan ganghennau nad yw fy staff wedi ymweld â hwy; neu
- nad wyf wedi cael yr holl wybodaeth a'r esboniadau sydd eu hangen arnaf ar gyfer fy archwiliad; neu
- nad yw'r datganiadau ariannol a'r rhannau o'r Adroddiad Atebolrwydd sy'n destun archwiliad yn gyson â'r cofnodion a'r ffurflenni cyfrifyddu; neu
- na wnaed rhai datgeliadau o gydnabyddiaeth ariannol a nodir gan Lawlyfr Adroddiadau Ariannol y Llywodraeth a gyhoeddwyd gan Drysorlys EF, neu nad yw rhannau o'r Adroddiad Cydnabyddiaeth Ariannol a Staff sydd i'w harchwilio yn gyson â'r cofnodion a'r ffurflenni cyfrifyddu; neu

- nad yw'r Datganiad Llywodraethu'n adlewyrchu cydymffurfiaeth â chanllawiau Trysorlys EF.

Cyfrifoldebau'r Bwrdd a'r Swyddog Cyfrifyddu am y datganiadau ariannol

Fel yr esbonnir yn fanylach yn y Datganiad o Gyfrifoldebau'r Swyddog Cyfrifyddu, y Bwrdd a'r Swyddog Cyfrifyddu sy'n gyfrifol am y canlynol:

- cynnal cofnodion cyfrifyddu priodol;
- rhoi mynediad i'r Rheolwr ac Archwilydd Cyffredinol i'r holl wybodaeth y mae'r rheolwyr yn ymwybodol ohoni sy'n berthnasol i'r gwaith o baratoi'r datganiadau ariannol megis cofnodion, dogfennau a materion eraill;
- rhoi gwybodaeth ac esboniadau ychwanegol i'r Rheolwr ac Archwilydd Cyffredinol sydd eu hangen ar gyfer ei archwiliad;
- rhoi mynediad anghyfyngedig i'r Rheolwr ac Archwilydd Cyffredinol i bersonau o fewn y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp y mae'r archwilydd yn penderfynu ei bod yn angenrheidiol cael tystiolaeth archwilio ganddynt;
- sicrhau bod rheolaethau mewnol o'r fath ar waith yn ôl yr angen i alluogi paratoi'r datganiadau ariannol i fod yn rhydd o gam-ddatgan materol, boed hynny oherwydd twyll neu wall;
- paratoi datganiadau ariannol sy'n rhoi darlun cywir a theg yn unol â chyfarwyddiadau'r Ysgrifennydd Gwladol a gyhoeddwyd o dan Orchymyn y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth 2008;
- paratoi'r adroddiad blynyddol, sy'n cynnwys yr Adroddiad Cydnabyddiaeth Ariannol a Staff, yn unol â chyfarwyddiadau'r Ysgrifennydd Gwladol a gyhoeddwyd o dan Orchymyn y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth 2008; ac
- asesu gallu'r Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp i barhau fel busnes gweithredol, gan ddatgelu, fel y bo'n berthnasol, faterion yn ymwneud â busnes gweithredol a defnyddio'r sail busnes gweithredol o gyfrifyddu oni bai bod y Swyddog Cyfrifyddu yn rhagweld na fydd y gwasanaethau a ddarperir gan y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp yn parhau i gael eu darparu yn y dyfodol.

Cyfrifoldebau'r archwilydd am archwilio'r datganiadau ariannol

Fy nghyfrifoldeb i yw archwilio, ardystio ac adrodd ar y datganiadau ariannol yn unol â Gorchymyn y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth 2008.

Fy amcanion yw cael sicrwydd rhesymol ynghylch a yw'r datganiadau ariannol yn eu cyfanrwydd yn rhydd o gam-ddatgan materol, boed hynny oherwydd twyll neu wall, a chyhoeddi tystysgrif sy'n cynnwys fy marn. Mae sicrwydd rhesymol yn lefel uchel o sicrwydd, ond nid yw'n warant y bydd archwiliad a gynhelir yn unol ag ISAs (DU) bob amser yn canfod cam-ddatganiad materol pan fydd yn bodoli. Gall cam-ddatganiadau ddeillio o dwyll neu wall ac fe'u hystyrir yn faterol os, yn unigol neu gyda'i gilydd, gellid yn rhesymol ddisgwyl iddynt ddylanwadu ar benderfyniadau economaidd defnyddwyr a wneir ar sail y datganiadau ariannol hyn.

Y graddau yr ystyriwyd bod yr archwiliad yn gallu canfod diffyg cydymffurfio â chyfreithiau a rheoliadau gan gynnwys twyll

Lluniau weithdrefnau yn unol â'm cyfrifoldebau, a amlinellir uchod, i ganfod cam-ddatganiadau materol mewn perthynas â diffyg cydymffurfio â chyfreithiau a rheoliadau², gan gynnwys twyll. Nodir isod i ba raddau y mae fy ngweithdrefnau'n gallu canfod diffyg cydymffurfio â chyfreithiau a rheoliadau, gan gynnwys twyll.

² Diffinnir diffyg cydymffurfio fel anwaith neu gamwaith yn fwrriadol neu'n anfwriadol, a gyflawnwyd gan yr endid, neu gan y rhai sy'n gyfrifol am lywodraethu, gan reolwyr neu gan unigolion eraill sy'n gweithio i'r endid neu o dan gyfarwyddyd yr endid, sy'n groes i'r chyfreithiau neu'r rheoliadau sydd ar waith yn gyfredol. Nid yw diffyg cydymffurfio yn cynnwys camymddwyn personol nad yw'n gysylltiedig â gweithgareddau busnes yr endid. Mae ISA 700 yn defnyddio'r gair "afreoleidd-dra" i ddisgrifio diffyg cydymffurfio â chyfreithiau a rheoliadau. Nid ydym yn defnyddio'r gair afreoleidd-dra i ddisgrifio diffyg cydymffurfio yn ein tystysgrifau a'n hadroddiadau gan fod ystyr arall iddo yng nghyd-destun PN10.

Nodi ac asesu risgiau posibl yn ymwneud â diffyg cydymffurfio â chyfreithiau a rheoliadau, gan gynnwys twyll

Wrth nodi ac asesu risgiau cam-ddatgan materol mewn perthynas â diffyg cydymffurfio â chyfreithiau a rheoliadau, gan gynnwys twyll:

- ystyriais natur y sector, yr amgylchedd rheoli a pherfformiad gweithredol, gan gynnwys dyluniad polisïau cyfrifyddu'r Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp;
- holais y rheolwyr, pennaeth archwilio mewnol y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'r rhai sy'n gyfrifol am lywodraethu, gan gynnwys cael ac adolygu dogfennau ategol yn ymwneud â pholisïau a gweithdrefnau'r Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp ynghylch:
 - nodi cyfreithiau a rheoliadau, eu gwerthuso a chydymffurfio â hwy;
 - canfod ac ymateb i risgiau twyll; a'r
 - rheolaethau mewnol a sefydlwyd i liniaru risgiau sy'n gysylltiedig â thwyll neu ddiffyg cydymffurfio â chyfreithiau a rheoliadau gan gynnwys rheolaethau'r Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp mewn perthynas â chydymffurfiaeth y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth â Gorchymyn y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth 2008 a Rheoli Arian Cyhoeddus;
- holais y rheolwyr, pennaeth archwilio mewnol y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'r rhai sy'n gyfrifol am lywodraethu:
 - a oeddent yn ymwybodol o unrhyw achosion o ddiffyg cydymffurfio â chyfreithiau a rheoliadau;
 - a oedd ganddynt wybodaeth am unrhyw dwyll gwirioneddol, tybiedig neu honedig; a
- bŵm yn trafod gyda'r tîm ymgysylltu, gan gynnwys y tîm archwilio cydrannau sylweddol a, lle y bu'n berthnasol, arbenigwyr allanol, gan gynnwys actiwarïaid pensiwn, ynghylch sut a ble y gallai twyll ddigwydd yn y datganiadau ariannol ac unrhyw ddangosyddion posibl o dwyll.

O ganlyniad i'r gweithdrefnau hyn, ystyriais y cyfleoedd a'r cymhellion a all fodoli o fewn y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp ar gyfer twyll a nodais y potensial mwyaf ar gyfer twyll yn y meysydd canlynol: cydnabod referniw, postio cyfnodolion anarferol, trafodion cymhleth, rhagfarn yn amcangyfrifon y rheolwyr. Yn gyffredin â phob archwiliad o dan ISAs (DU), mae'n ofynnol i mi gyflawni gweithdrefnau penodol i ymateb i'r risg o wrthwneud gan reolwyr.

Cefais ddealltwriaeth o fframwaith awdurdod y Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp a fframweithiau cyfreithiol a rheoleiddiol eraill y mae'r Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp yn gweithredu ynddynt. Canolbwyntiais ar y cyfreithiau a'r rheoliadau hynny a gafodd effaith uniongyrchol ar symiau a datgeliadau materol yn y datganiadau ariannol neu a gafodd effaith sylfaenol ar weithrediadau'r Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth a'i Grŵp. Roedd y cyfreithiau a'r rheoliadau allweddol a ystyriwyd gennyf yn y cyd-destun hwn yn cynnwys Gorchymyn Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth 2008, Rheoli Arian Cyhoeddus, deddfwriaeth pensiynau a deddfwriaeth treth.

Ymateb archwilio i risg a nodwyd

Er mwyn ymateb i'r risgiau a nodwyd sy'n deillio o'r gweithdrefnau uchod:

- adolygais ddatgeliadau'r datganiadau ariannol a phrofi yn erbyn dogfennaeth ategol i asesu cydymffurfiaeth â darpariaethau'r cyfreithiau a'r rheoliadau perthnasol a ddisgrifir uchod fel rhai sy'n cael effaith uniongyrchol ar y datganiadau ariannol;
- holais y rheolwyr, y Pwyllgor Archwilio a Risg a chwysel cyfreithiol mewnol ynghylch ymglyfreitha a hawliadau gwirioneddol a phosibl;
- adolygais gofnodion cyfarfodydd y rhai sy'n gyfrifol am lywodraethu a'r Bwrdd ac adroddiadau archwilio mewnol;
- euthum i'r afael â'r risg o dwyll o ganlyniad i wrthwneud rheolaethau gan reolwyr, trwy brofi priodoldeb cofnodion cyfnodolion ac addasiadau eraill; asesu a yw'r penderfyniadau ynghylch amcangyfrifon yn arwydd o ragfarn bosibl; a gwerthuso rhesymeg busnes unrhyw drafodion o bwys sy'n anarferol neu sydd y tu allan i gwrs arferol busnes; a
- chynhaliwyd profion sylweddol ar ffrydiau incwm a gwariant i fynd i'r afael â'r risg o dwyll ac afreoleidd-dra.

Cyfleais gyfreithiau a rheoliadau perthnasol a nodwyd a risgiau posibl o dwyll i bob aelod o'r tîm ymgysylltu a thimau archwilio cydrannau sylweddol, a lle y bu'n berthnasol, arbenigwyr allanol, ac arhosais yn effro i unrhyw arwyddion o dwyll neu ddiffyg cydymffurfio â chyfreithiau a rheoliadau drwy gydol yr archwiliad.

Mae disgrifiad pellach o'm cyfrifoldebau am archwilio'r datganiadau ariannol ar gael ar wefan y Cyngor Adrodd Ariannol yn: www.frc.org.uk/auditorsresponsibilities. Mae'r disgrifiad hwn yn rhan o'm tystysgrif.

Cyfrifoldebau eraill yr archwilydd

Mae'n ofynnol i mi gael digon o dystiolaeth archwilio briodol i roi sicrwydd rhesymol bod y gwariant a'r incwm a gofnodwyd yn y datganiadau ariannol wedi'u cymhwyso at y dibenion a fwriadwyd gan y Senedd, a bod y trafodion ariannol a gofnodwyd yn y datganiadau ariannol yn cydymffurfio â'r awdurdodau sy'n eu llywodraethu.

Rwyf yn cyfathrebu â'r rhai sy'n gyfrifol am lywodraethu ynghylch cwmpas ac amseriad arfaethedig yr archwiliad a chanfyddiadau archwilio o bwys, ymhlith materion eraill, gan gynnwys unrhyw ddiffygion sylweddol mewn rheolaeth fewnol yr wyf yn eu nodi yn ystod fy archwiliad.

Adroddiad

Nid oes gennyf unrhyw sylwadau i'w gwneud ar y datganiadau ariannol hyn.

Cyfieithiad Cymraeg

Rwyf wedi ardystio ac adrodd ar y datganiadau ariannol hyn yn eu ffurf wreiddoel. Mae'r fersiwn hon yn gyfieithiad o'r fersiwn Saesneg wreiddiol. Bwrdd Datblygu Amaethyddiaeth a Garddwriaeth yn gyfrifol am gywirdeb y cyfieithiad hyn.

Gareth Davies
Y Rheolwr ac Archwilydd Cyffredinol

15 Gorffennaf 2024

Y Swyddfa Archwilio Genedlaethol
157-197 Buckingham Palace Road
Victoria
Llundain
SW1W 9SP

Financial statements 2023/24

Consolidated statement of comprehensive net expenditure for the year ended 31 March 2024

	Note	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000
Income			
Gross levy	2a	40,953	42,150
Non-levy sources	2a	2,724	5,507
Total income		43,677	47,657
Operating expenditure			
Levy collection			
Staff costs	2a, 3	(169)	(253)
Other costs	2a, 4	(812)	(872)
Core strategic activities			
Staff costs	2a, 3	(18,804)	(19,199)
Other costs	2a, 4	(37,932)	(44,557)
Current pension service and administration cost	3, 4, 21f	(439)	(422)
Total operating expenditure		(58,156)	(65,303)
Surplus/(deficit) on ordinary activities before interest and taxation		(14,479)	(17,646)
Interest receivable		1,119	458
Interest payable		-	(1)
Interest charges on lease liability	10	(78)	(16)
Net interest relating to pension schemes	21e	(96)	(1)
Deemed disposal of Livestock Information Limited	12	(11,098)	-
Surplus/(deficit) on ordinary activities before taxation		(24,632)	(17,206)
Taxation	5	(279)	(87)
Surplus/(deficit) for the financial year		(24,911)	(17,293)
Other comprehensive income			
Net gain/(loss) on revaluation of pension assets and liabilities	21e	(488)	(2,702)
Total comprehensive income/(expenditure)		(25,399)	(19,995)
Attributable to:			
AHDB Share		(19,609)	(12,820)
NCI Share of Livestock Information Limited		(5,790)	(7,175)

Note 1: These accounts incorporate movements in pension scheme assets and liabilities which do not form part of the reserves available for levy payer delivery activities. Those pension scheme liabilities recognised in the AHDB's accounts increased by £0.1 million in 2023/24 (2022/23: increase of £2.3 million). Excluding pension scheme asset movements and revaluation of property, a deficit of £2.4 million excluding Livestock Information Limited (LI Limited) (2022/23: deficit of £3.1 million), or a deficit of £25.3 million including LI Limited was recorded in the year (2022/23: deficit of £17.7 million). Further information regarding pensions is shown in Note 21 to the accounts.

Note 2: AHDB held a controlling interest in LI Limited until 31 October 2023. AHDB held 51% of member voting rights and held influence over the appointments for a majority of board directors. Following a member resolution effective 1 November 2023, AHDB's holding of voting rights reduced to 15% and AHDB can only appoint one board director. AHDB has fully consolidated the financial results of LI Limited for the period of 1 April 2023 to 31 October 2023 as part of the financial results for the AHDB Group. The other Member of LI Limited is Defra. Defra's interest is represented as a non-controlling interest in AHDB's consolidated statement of comprehensive net expenditure.

There were no proceeds as a result of the change in control and, as this change is being considered a deemed disposal, a loss equivalent to AHDB's share of the net assets as at 31 October 2023 is reflected through the consolidated statement of comprehensive net expenditure per IFRS 10 (£11.1 million). See Note 12 for further information.

Note 3: AHDB's share of the total comprehensive income/(expenditure) is comprised of its 51% share of LI Limited's deficit as at 31 October 2023 plus 100% of the deemed disposal, being £17.1 million (2022/23: deficit £7.5 million), and AHDB's stand-alone deficit of £2.5 million (2022/23: deficit of £5.3 million) including pension movements and property revaluations.

The notes on pages 49 to 85 are an integral part of these consolidated financial statements.

AHDB Statement of comprehensive net expenditure for the year ended 31 March 2024

	Note	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000
Income			
Gross levy	2a	40,953	42,150
Non-levy sources	2a	2,712	5,470
Total income		43,665	47,620
Operating expenditure			
Levy collection			
Staff costs	2a, 3	(169)	(253)
Other costs	2a, 4	(812)	(872)
Core strategic activities			
Staff costs	2a, 3	(17,905)	(18,488)
Other costs	2a, 4	(27,002)	(30,588)
Current pension service and administration cost	3, 4, 21f	(439)	(422)
Total operating expenditure		(46,327)	(50,623)
Surplus/(deficit) on ordinary activities before interest and taxation		(2,662)	(3,003)
Interest receivable		1,119	458
Interest payable		-	(1)
Interest charges on lease liability	10	(78)	(16)
Net interest relating to pension schemes	21e	(96)	(1)
Surplus/(deficit) on ordinary activities before taxation		(1,717)	(2,563)
Taxation	5	(279)	(87)
Surplus/(deficit) for the financial year		(1,996)	(2,650)
Other comprehensive income			
Net gain/(loss) on revaluation of pension assets and liabilities	21e	(488)	(2,702)
Total comprehensive income/(expenditure)		(2,484)	(5,352)

Note 1:

These accounts incorporate movements in pension scheme assets and liabilities which do not form part of the reserves available for levy payer delivery activities. Those pension scheme liabilities recognised in the AHDB's accounts increased by £0.1 million in 2022/23 (2022/23: increase of £2.3 million). Further information regarding pensions is shown in Note 21 to the accounts.

The notes on pages 49 to 85 are an integral part of these consolidated financial statements.

Consolidated statement of financial position

as at 31 March 2024

	Note	As at 31-Mar-24		As at 31-Mar-23	
		£'000	£'000	£'000	£'000
Non-current assets					
Property, plant and equipment	6	152		185	
Intangible assets	8, 12	242		18,423	
Right of use assets	10	2,327		2,582	
Total non-current assets			2,721		21,190
Current assets					
Assets classified as held for sale	11	-		562	
Financial assets	13	18,000		20,000	
Trade and other receivables	14	7,161		7,878	
Cash at bank and in hand	15	5,064		6,647	
Total current assets			30,225		35,087
Total assets			32,946		56,277
Current liabilities					
Trade and other payables	16, 12	(5,588)		(10,298)	
Lease liabilities	10	(321)		(400)	
Provisions	17	(37)		(132)	
Total current liabilities			(5,946)		(10,830)
Non-current assets plus net current assets			27,000		45,447
Non-current liabilities					
Lease liabilities	10	(2,065)		(2,127)	
Provisions	17	(110)		-	
Pension liability	21f	(2,488)		(2,400)	
Total non-current liabilities			(4,663)		(4,527)
Net assets			22,337		40,920
Reserves					
Accumulated funds		24,825		35,432	
NCI reserve		-		7,860	
Total pension reserve		(2,488)		(2,400)	
Revaluation reserve		-		28	
Total reserves			22,337		40,920

Note 1:

AHDB held a controlling interest in LI Limited until 31 October 2023. AHDB held 51% of member voting rights and held influence over the appointments for a majority of board directors, following a member resolution effect 1 November 2023 AHDB's holding of voting rights reduced to 15% and can only appoint one board director. As at 31 March 2024 AHDB held no controlling interest in LI Limited and therefore has not consolidated LI Limited within the consolidated statement of financial position. See note 12 for further information.

The notes on pages 49 to 85 are an integral part of these financial statements.

The financial statements on pages 41 to 48 were approved by the AHDB board and signed on its behalf by:

Nicholas Saphir
Chair

Graham Wilkinson
Chief Executive and Accounting Officer

11 July 2024

AHDB statement of financial position as at 31 March 2024

	Note	As at 31-Mar-24		As at 31-Mar-23	
		£'000	£'000	£'000	£'000
Non-current assets					
Property, plant and equipment	7	152		185	
Intangible assets	9	242		348	
Right of use assets	10	2,327		2,582	
Investments	12	514		514	
Total non-current assets			3,235		3,629
Current assets					
Assets classified as held for sale	11	-		562	
Financial assets	13	18,000		20,000	
Trade and other receivables	14	7,161		7,807	
Cash at bank and in hand	15	5,064		5,143	
Total current assets			30,225		33,512
Total assets			33,460		37,141
Current liabilities					
Trade and other payables	16	(6,102)		(7,261)	
Lease liabilities	10	(321)		(400)	
Provisions	17	(37)		(132)	
Total current liabilities			(6,460)		(7,793)
Non-current assets plus net current assets			27,000		29,348
Non-current liabilities					
Lease liabilities	10	(2,065)		(2,127)	
Provisions	17	(110)		-	
Pension liability	21f	(2,488)		(2,400)	
Total non-current liabilities			(4,663)		(4,527)
Net assets			22,337		24,821
Reserves					
Accumulated funds		24,824		27,193	
Total pension reserve		(2,488)		(2,400)	
Revaluation reserve		-		28	
Total reserves			22,337		24,821

The notes on pages 49 to 85 are an integral part of these financial statements.

The financial statements on pages 41 to 48 were approved by the AHDB board and signed on its behalf, by:

Nicholas Saphir
Chair

Graham Wilkinson
Chief Executive and Accounting Officer

11 July 2024

Consolidated cash flow statement

for the year ended 31 March 2024

	Note	For the year ended 31-Mar-24 £'000	Restated For the year ended 31-Mar-23 £'000
Cash flows from operating activities			
Surplus/(deficit) on ordinary continued activities before taxation	2a	(24,632)	(17,206)
Adjustments for:			
Interest received		(952)	(211)
Deemed Disposal of LI Ltd Intangibles	8, 12	23,205	-
Derecognition of non-controlling interest on deemed disposal		(10,607)	-
LI Limited 2022/23 adjustments after group accounts finalised		(57)	-
Depreciation and amortisation	6, 8 & 10	2,925	4,067
Defined benefit pension costs	21e	439	422
Other finance income	21e	96	1
(Surplus)/Deficit on disposal of property, plant and equipment		(873)	69
(Increase)/decrease in trade and other receivables	14	717	8,843
Increase/(decrease) in trade and other payables	16	(4,717)	(3,201)
(Increase)/decrease in payables relating to capital		316	784
Net provisions created / (written back)	17	15	(121)
Lease liability interest		78	16
Tax paid		(279)	(87)
Defined benefit scheme pension contributions paid	21f	(935)	(869)
Cash inflows/(outflows) from operating activities		(15,261)	(7,493)
Cash flows from investing activities			
Interest received		952	211
Payments to acquire property, plant and equipment	6	(33)	(180)
Intangible assets additions	8	(8,130)	(9,545)
Increase/(decrease) in payables relating to capital		(316)	(784)
Deposits with maturities greater than three months	13	(21,000)	(30,000)
Withdrawals with maturities greater than three months	13	23,000	10,000
Receipts from sale of assets held for resale nad property, plant & equipment		1,435	180
Cash inflows/(outflows) from investing activities		(4,092)	(30,118)
Cash flow from financing activities			
Lease liability payments	10	(220)	(39)
Increase/(decrease) in financing from sponsoring department		9,175	11,080
Financing from sponsoring department - non controlling Interest		8,815	10,645
Cash inflows/(outflows) from financing activities		17,770	21,686
Net Increase/(decrease) in cash and cash equivalents in the period		(1,583)	(15,925)
Cash & cash equivalents at the beginning of the period		6,647	22,572
Cash & cash equivalents at the end of the period	15	5,064	6,647

The notes on pages 49 to 85 are an integral part of these financial statements.

AHDB cash flow statement for the year ended 31 March 2024

	Note	For the year ended 31-Mar-24 £'000	Restated For the year ended 31-Mar-23 £'000
Cash flows from operating activities			
Surplus/(deficit) on ordinary activities before taxation	2a	(1,717)	(2,563)
Adjustments for:			
Interest received		(952)	(211)
Depreciation and amortisation	7, 9 & 10	429	292
Defined benefit pension costs	21e	439	422
Other finance income	21e	96	1
(Surplus)/deficit on disposal of property, plant and equipment		(873)	69
(Increase)/decrease in trade and other receivables	14	646	8,876
Increase/(decrease) in trade and other payables	16	(1,160)	(3,145)
Net provisions created / (written back)	17	15	(121)
Lease liability interest		78	16
Tax paid		(279)	(87)
Defined benefit scheme pension contributions paid	21f	(935)	(869)
Cash inflows/(outflows) from operating activities		(4,213)	2,680
Cash flows from investing activities			
Interest received		952	211
Payments to acquire property, plant and equipment	7	(33)	(180)
Intangible assets additions	9	-	(45)
Deposits with maturities greater than three months	13	(21,000)	(30,000)
Withdrawals with maturities greater than three months	13	23,000	10,000
Receipts from sale of assets held for resale nad property, plant & equipment		1,435	180
Cash inflows/(outflows) from investing activities		4,354	(19,834)
Cash flow from financing activities			
Lease liability payments	10	(220)	(39)
Cash inflows/(outflows) from financing activities		(220)	(39)
Net Increase/(decrease) in cash and cash equivalents in the period		(79)	(17,193)
Cash & cash equivalents at the beginning of the period		5,143	22,336
Cash & cash equivalents at the end of the period	15	5,064	5,143

The notes on pages 49 to 85 are an integral part of these financial statements.

Consolidated statement of changes in equity for the year ended 31 March 2024

	Note	Accumulated reserve £'000	NCI reserve £'000	Pension reserve £'000	Revaluation reserve £'000	Total reserves £'000
Balance at 1 April 2022		34,916	4,390	(144)	28	39,190
Surplus/(Deficit) for the year	2b	(10,118)	(7,175)	-	-	(17,293)
Pension(loss)/gain	21e	-	-	(2,702)	-	(2,702)
Transfers from pensions reserve		(446)	-	446	-	-
Grants from sponsoring department		11,080	10,645	-	-	21,725
Balance as at 31 March 2023		35,432	7,860	(2,400)	28	40,920
Surplus/(Deficit) relating to AHDB Activity	2a	(1,996)	-	-	-	(1,996)
Pension gain/(loss)	21e	-	-	(488)	-	(488)
Net gain/(loss) on revaluation		28	-	-	(28)	-
Movement in revaluation reserve		(400)	-	400	-	-
Surplus/(Deficit) relating to LI Ltd Activity prior to disposal	2a	(6,027)	(5,790)	-	-	(11,817)
Surplus/(Deficit) element relating to deemed disposal	2a	(11,098)	-	-	-	(11,098)
LI Limited 2022/23 adjustments after group accounts finalised		(289)	(278)	-	-	(567)
Grants from sponsoring department		9,175	8,815	-	-	17,990
Derecognition of non-controlling interest on deemed disposal		-	(10,607)	-	-	(10,607)
Balance as at 31 March 2024		24,825	-	(2,488)	-	22,337

Reserves are allocated to the reporting segments as detailed below:

AHDB Cereals & Oilseeds		4,644	-	(188)	-	4,456
AHDB Dairy		3,556	-	-	-	3,556
AHDB Pork		5,235	-	(767)	-	4,468
AHDB Beef & Lamb		6,913	-	(1,533)	-	5,380
AHDB Potatoes		1,895	-	-	-	1,895
AHDB Horticulture		2,582	-	-	-	2,582
Total		24,825	-	(2,488)	-	22,337

Note 1:

AHDB held a controlling interest in LI Limited until 31 October 2023. AHDB held 51% of member voting rights and held influence over the appointments for a majority of board directors, following a member resolution effect 1 November 2023 AHDB's holding of voting rights reduced to 15% and only appoints one board director. As at 31 March 2024 AHDB held no controlling interest in LI Limited and therefore has not recognised any non-controlling interest reserve.

The notes on pages 49 to 85 are an integral part of these financial statements.

AHDB statement of changes in equity for the year ended 31 March 2024

	Note	Accumulated reserve £'000	Pension reserve £'000	Revaluation reserve £'000	Total reserves £'000
Balance at 1 April 2022		30,289	(144)	28	30,173
Surplus/(Deficit) for the year	2b	(2,650)	-	-	(2,650)
Pension (loss)/gain	21e	-	(2,702)	-	(2,702)
Transfers from pension reserve		(446)	446	-	-
Balance as at 31 March 2023		27,193	(2,400)	28	24,821
Surplus/(Deficit) for the year	2a	(1,996)	-	-	(1,996)
Pension gain/(loss)	21e		(488)	-	(488)
Movement in revaluation reserve		28	-	(28)	-
Transfers from pensions reserve		(400)	400	-	-
Balance as at 31 March 2024		24,825	(2,488)	-	22,337

Reserves are allocated to the reporting segments as detailed below:

AHDB Cereals & Oilseeds		4,644	(188)	-	4,456
AHDB Dairy		3,556	-	-	3,556
AHDB Pork		5,235	(767)	-	4,468
AHDB Beef & Lamb		6,913	(1,533)	-	5,380
AHDB Potatoes		1,895	-	-	1,895
AHDB Horticulture		2,582	-	-	2,582
Total		24,825	(2,488)	-	22,337

The notes on pages 49 to 85 are an integral part of these financial statements.

Notes to the financial statements

1. Principal accounting policies

The accounts are prepared in accordance with the Agriculture and Horticulture Development Board Order 2008 and the accounts direction issued by the Secretary of State for Environment, Food and Rural Affairs. The accounts direction requires compliance with HM Treasury's Financial Reporting Manual (FRoM) and any other guidance issued by HM Treasury. The accounting policies contained in the FRoM apply International Financial Reporting Standards (IFRS), as adapted, or interpreted for the public sector.

Where the FRoM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances of the Non-Departmental Public Body (NDPB) for the purpose of giving a true and fair view has been selected. The particular policies adopted by the NDPB are described below. They have been applied consistently in dealing with items that are considered material to the accounts. AHDB applies accounting standards upon formal adoption in the FRoM.

IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, requires disclosures in respect of new IFRSs, amendments and interpretations that are, or will be, applicable after the reporting period. There is no expected impact on AHDB's financial statements for the financial year ended 31 March 2025.

Adoption of IFRS 16 – Leases

AHDB has adopted IFRS 16 from 1 April 2022, and this has had a considerable impact in financial reporting terms. Upon transition, AHDB adopted the modified retrospective approach and has applied the available practical expedients as directed by the FRoM.

HM Treasury has withdrawn the accounting policy choice to apply IFRS 16 retrospectively to each prior reporting period presented in accordance with IAS 8. At the date of initial application, therefore, AHDB recognised the cumulative effect of initially applying IFRS 16 as an adjustment to the opening balance of reserves. HM Treasury has also withdrawn the option to reassess whether a contract is, or contains, a lease at the date of initial application. AHDB therefore initially applied IFRS 16 to any contracts previously identified as a lease, or containing a lease, under IAS 17 and did not apply IFRS 16 to any contracts not previously identified as such. Leased assets were identified as follows: a) Land and buildings – AHDB leases office accommodation which is used as headquarters. Under IAS 17, these contracts were treated as operating leases. b) Vehicles – AHDB leases vehicles primarily for pool vehicles for Facilities team to move items, and staff who travel on business who do not have business insurance. Under IAS 17, these contracts were treated as operating leases. On transition to IFRS 16 AHDB revised their vehicle policy during 2022/23, which resulted in vehicles being returned and replaced with a car allowance and the remaining vehicles fell under the low value exemption under IFRS16. The low-value exemption has been applied to leases under £10,000.

As required by the standard, provisions for dilapidations on leased properties, where a right-of-use asset has been recognised, are capitalised as part of the asset value.

AHDB have applied the recognition and measurement exemption for short-term leases in accordance with IFRS 16 paragraphs 6 to 8. AHDB have applied the recognition and measurement exemptions provided by IFRS 16:

- For short-term leases (12 months or less)
- For leases for which the underlying asset is of low value, AHDB have adopted a £10,000 threshold

As permitted by the FRoM, right-of-use assets are subsequently measured using the cost model as a proxy for the measurement of the cost value in use. This is because lease terms require lease payments to be updated for market conditions, for example, rent reviews for leased properties, which will be captured in the IFRS 16 cost measurement provisions. Right-of-use assets also have shorter useful lives and values than their respective underlying assets and, as such, cost can be used as a proxy for assets with shorter economic lives or lower values in accordance with the FRoM.

The initial lease liability is calculated by reference to the remaining lease payments discounted at an appropriate rate at the date of initial application. We are not able to readily determine the interest rate implicit in the lease and have therefore used the HM Treasury discount rates promulgated in PES papers as the incremental borrowing rate. For leases that commence or are remeasured in the calendar year 2023, the rate applied is 0.95% and for calendar year 2024 the rate is 3.51%. The corresponding right-of-use asset is calculated by reference to the lease liability adjusted for any prepaid or accrued lease payments immediately before the date of initial application. For interest expense in relation to leasing liabilities, refer to statement of comprehensive net expenditure.

Notes to the financial statements

1. Principal accounting policies (continued)

Going concern

AHDB considers the going concern basis appropriate, following the FReM interpretation of IAS1, due to the original Statutory Instrument (2008/576) and all subsequent updates requiring the continuation of the provision of a service by AHDB and for AHDB to collect a levy.

AHDB has also undertaken a detailed going concern assessment focusing on the following key themes:

- The ability for AHDB to meet obligations as they fall due. This was assessed on both an income/funding basis and a cashflow basis
- Reviewed a period of at least 12 months beyond the signing of the 2023/24 accounts, including the ability to support the payment of grants to a third party providing the EAMU and EA services
- Considered any other information about the future that is relevant and could affect the going concern assessment

AHDB considers the going concern basis appropriate because the cashflow forecast for AHDB as a whole remains cash positive over the assessment period, and there are sufficient financial controls and income collection arrangements in place to provide a basis for AHDB to meet obligations as they fall due.

Accounting convention

The consolidated accounts have been prepared on a going concern basis, under the historical cost convention, except where otherwise noted in specific accounting policies, e.g. for the fair value treatment of pension assets.

Consolidation

The consolidated financial statements incorporate the financial statements of AHDB and its subsidiaries (Sutton Bridge Experimental Unit Limited and, for part of 2023/24, Livestock Information Limited) and are prepared in accordance with the Government Financial Reporting Manual (FReM). Where necessary, adjustments are made to bring the accounting policies under UK Generally Accepted Accounting Principles (UK GAAP), as used in the individual financial statements of the subsidiaries, into line with those used by AHDB in its consolidated financial statements. In accordance with IFRS, inter-company transactions are eliminated. There is further information regarding the consolidation and investments of the group in the Investments note to the Financial Statements.

In reference to the adjustment for the consolidation of Livestock Information Limited, income received from Defra is recognised as financing directly through the group reserves, offsetting the deficit recorded for Livestock Information Limited in the consolidated statement of comprehensive net expenditure.

This treatment recognises Defra's control over AHDB itself, which establishes Defra's funding of the Group in respect of LI Ltd, as contributions from a controlling party, taken through equity directly in accordance with IAS 1 classification principles.

For the period between April and October 2023, AHDB had control over LI Limited by satisfying the criteria outlined in IFRS10, and as such, it is appropriate for AHDB Group to fully consolidate LI Limited for that period. AHDB exercised control by virtue of the following:

- Ownership of voting rights – AHDB had the power to direct the financial and operating policies of the subsidiary through its 51% voting rights which indicates control
- Ability to influence – AHDB demonstrated its ability to influence LI Limited's activities to obtain economic benefits. This influence was detailed through the Delivery Agreement and the Articles which allowed AHDB the ability to make decisions that could significantly impact LI Limited's operations
- Board representation – AHDB had the right to appoint or remove the majority of the LI Limited's board members, giving it control over LI Limited's strategic decisions
- Rights to returns – AHDB retained the rights to the intellectual property developed by LI Limited as well as any value-added services and data produced by AHDB as detailed in the Delivery Agreement

With effect from 1 November 2023, following voluntary changes to the Articles of Association and the Delivery Agreement, the voting rights of AHDB as a member of LI Limited reduced from 51% to 15% and the board appointments rights reduced to one position on the board. This change effectively meant that AHDB no longer exercised control or had significant influence over LI Limited, resulting in LI ceasing to be a subsidiary of AHDB Group from 1 November 2023. As a result of this loss of control, AHDB deconsolidated LI Limited with effect from 1 November 2023. The primary financial statements and the notes to the financial statements include explanatory notes to identify the consequences of this deconsolidation where necessary. See the Investment Note for more information.

Notes to the financial statements

1. Principal accounting policies (continued)

Segmental reporting

In addition to presenting the consolidated financial results and financial position in the financial statements, a breakdown of those results and balances by business segment is provided in accordance with IFRS 8 'Segmental Reporting'. The presentation of segmental information is based on the external and regulatory environments in which AHDB operates, being the statutory obligation to report and account for levies on a sector basis. AHDB has introduced a timesheet-recording system, where activities performed are recorded either specifically to a sector or across multiple sectors. Time and costs are recorded based on the work delivered to the sector. If the work is across multiple sectors, this is split across the relevant sectors based on a percentage determined by each of the business functions during the budget-setting process and the respective budgets are approved by the AHDB Board and Sector Councils. These percentages are further reviewed and updated as part of AHDB's quarterly forecast process. The business segments are AHDB Cereals & Oilseeds, AHDB Dairy, AHDB Pork, AHDB Beef & Lamb, AHDB Potatoes, AHDB Horticulture and Livestock Information Limited.

The Horticulture and Potatoes sectors were winding down operations during 2023/24 because of decisions taken by AHDB, Defra Ministers and the devolved governments following the outcome of the levy payer ballots in February (Horticulture) and March (Potatoes) 2021. The Statutory Instrument update that came into force on 26 May 2022 (SI 2022/577) allows AHDB to continue to support these sectors without any 2023/24 levy collection, and therefore, they do not lead to being accounted for as discontinued operations under IFRS 5. The focus for these sectors is on collection of outstanding levies, expenditure management and cost control to ensure activities are managed in line with the wind down plan.

The segmental reporting disclosures can be found in Note 2a.

Research and development expenditure

Research and development expenditure is charged as it is incurred, on an accruals basis, and is not capitalised in the statement of financial position. The terms of the statutory instrument that established AHDB prevent AHDB from restricting access of other parties to future benefits of the research activities it undertakes. As a result, the research and development expenditure does not meet the requirements for capitalisation under IAS 38 'Intangible Assets'.

Assets under construction

Assets under construction are shown at accumulated cost. Costs considered for capitalisation follow the guidance of IAS 16 for property, plant and equipment and IAS 38 for intangible assets and include the asset's purchase cost (if applicable), any costs directly attributable to bringing the asset to its location and condition for intended use and any costs for dismantling, removal or site restoration (if so obliged).

Once the asset is completed, it is transferred to the relevant asset class, with depreciation or amortisation commencing when the asset is brought into service.

Property, plant and equipment

Property, plant and equipment include assets purchased directly by AHDB and assets for which the legal title transferred to AHDB under the Agriculture and Horticulture Development Board Order 2008.

Expenditure on property, plant and equipment of £5,000 and above is capitalised when it is probable that the asset will generate future economic benefits. On initial recognition, assets are valued at cost and any costs attributable to bringing them into working condition. All property, plant and equipment are reviewed annually for impairment and are carried at fair value. Land and buildings are stated at their fair value, based on a periodic professional valuation. All non-property assets are deemed to be short-life or low-value assets and are valued on the basis of depreciated replacement cost as an approximation of fair value. Any assets held for resale would be valued in the consolidated accounts under IFRS 5, at the lower of carrying value and estimated net realisable value.

Notes to the financial statements

1. Principal accounting policies (continued)

Intangible assets

Intangible assets are non-monetary assets without physical substance and comprise of software licences and internally developed IT software, including assets under construction. The capitalisation threshold is £5,000.

In accordance with IAS 38 and FRS 102 Section 18, costs associated with developing and implementing additional functionality are capitalised as incurred during the year and begin amortising based on the same end-date of the asset's Useful Economic Life (UEL). An impairment review is carried out on material intangible assets each year.

In addition to the capitalised costs outlined above for each asset, costs are incurred in relation to the assets but not directly related to the build work.

These assets are only revalued where it is possible to obtain a reliable market value. When fully operational in the business, internally generated software is stated at a proxy for fair value, being an amortised replacement cost. This fair value represents the value in use of the remaining economic benefit. Impairment assessment compares this value with the depreciated replacement cost of the useful service potential. Possible impairment indicators would include a significant reversal of a branch of development during the construction phase, or a curtailment of the use of system features.

Depreciation and amortisation

Depreciation and amortisation are calculated so as to write off the cost or valuation of fixed assets, lessen their estimated residual values, on a straight-line basis over the expected useful lives of the assets, as follows:

- Freehold buildings: 10 to 50 years
- Leasehold improvements: Life of lease
- Plant and machinery: 3 to 10 years
- Fixtures and fittings: 1 to 10 years
- Motor vehicles: 2.5 to 5 years
- IT – Computer hardware: 1 to 5 years
- IT – Computer software: 1 to 10 years

Freehold land is not depreciated.

AHDB assets are depreciated in the month in which the asset is brought into use. A full month depreciation is recognised in the statement of comprehensive net expenditure.

Provisions

A provision is recognised where there is a legal or constructive obligation arising from past events, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognised is the best estimate of the expenditure that would be required to settle the obligation at the balance sheet date.

Dilapidations

AHDB has entered into a rental agreement for the property it occupies. The agreement includes clauses requiring AHDB, at the end of the rental period, to return the property to the landlord in its original state or to pay the landlord the cost of any necessary work to achieve this ("dilapidations"). AHDB therefore provides for the cost of removing any modifications it makes and repairing any damage or wear occurring during its tenancy.

Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated at the rate ruling at the date of the transaction.

All foreign exchange differences are taken to the statement of comprehensive income in the year in which they arise.

Notes to the financial statements

1. Principal accounting policies (continued)

Financial assets and liabilities

Financial assets consist of trade receivables and other current assets such as cash at bank and in hand and cash held on deposit. Financial assets comprise receivables that are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Receivables are initially recognised at fair value and, subsequently, held at amortised cost after an appropriate provision for expected credit loss.

AHDB places surplus cash funds on deposit with Barclays Bank for terms ranging from one week to 12 months. Deposits greater than three months are considered to be a financial asset rather than cash and cash equivalent in accordance with IFRS 9.

Financial liabilities consist of trade payables and other current liabilities. In accordance with IFRS 9, financial instruments, financial assets and liabilities are initially recognised at fair value, less directly attributable transaction costs. They are subsequently measured at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand and current balances with banks and other financial institutions, which are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value and have an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

Term deposits which have an original maturity in excess of three months are treated as financial assets and the related cash flows are treated as investing activities.

Pensions

AHDB operates a defined contribution scheme for the benefit of all active employees.

Defined contribution scheme.

The amounts charged as expenditure for the defined contribution scheme represent the contributions payable by AHDB for the accounting period in respect of these schemes.

Defined benefit schemes.

AHDB has two legacy defined benefit schemes which are closed to future accrual: the Meat and Livestock Commission Pension Scheme (MLCPS) and the Home-Grown Cereals Authority Pension Plan (HGCAPP).

For defined benefit retirement schemes, the cost of providing benefits is determined using the projected unit method, with actuarial valuations being carried out at each reporting date. Current service cost is recognised in operating costs in the period in which the defined benefit obligation increases as a result of employee services. Actuarial gains and losses are recognised in other comprehensive income. The actuarial valuations are obtained at least triennially and are updated at each reporting date. The resulting defined benefit asset and liability are shown gross in the notes to the financial statements.

AHDB takes actuarial valuation and IAS 19 accounting disclosure input from specialist advisors.

Legal advice was sought by AHDB in relation to both MLCPS and HGCAPP in order to assess AHDB's rights to any potential scheme/plan surplus. For both MLCPS and HGCAPP, it is considered that AHDB does not have an unconditional right to any scheme/plan surplus, due to the powers of the Trustees. As a result of this assessment, any accounting surplus indicated by the IAS 19 valuation is restricted in line with IFRIC 14 direction.

For the 31 March 2024 IAS 19 valuation of the scheme/plan, AHDB has decided to adopt a roll-forward approach to membership. The roll-forward is a common approach to updating the membership basis of the valuation which takes the last actual membership data (ordinarily this is from the last Technical Provisions valuation) and updates it based on recent experience. Not only is this approach common place (both in industry and in public sector), it is also less resource intensive, resulting in a more efficient production of the IAS 19 valuation.

For AHDB, the last actual membership data is available for both MLCPS and HGCAPP as at 31 March 2022 as a result of that year's IAS 19 valuation, which used a full membership reconciliation basis. This membership dataset is used as the basis for the roll-forward for both the MLCPS and the HGCAPP.

Notes to the financial statements

1. Principal accounting policies (continued)

Past service costs are recognised immediately, to the extent that benefits are already vested. Otherwise, such costs are amortised on a straight-line basis over the period until the benefits vest.

All assets and liabilities in relation to the MLCPS and HGCAPP, in accordance with the Pension Scheme Surpluses (Valuation) Regulations 1987, are separately ring-fenced from AHDB's normal operating activities and relate to the red meat (i.e. AHDB Beef & Lamb and AHDB Pork) and AHDB Cereals & Oilseeds sectors, respectively, only having no financial impact on any other sector within AHDB.

Settlements are recognised when a transaction is entered into that eliminates all further legal or constructive obligations for benefits under a scheme.

Curtailments are recognised when a commitment is made to a material reduction in the number of employees covered by a scheme.

The retirement benefit obligations recognised in the statement of financial position represent the present value of the defined benefit obligations, as reduced by the fair value of scheme assets and any unrecognised past service cost.

The expected return on scheme assets and the unwinding of the discount on defined benefit obligations are recognised within interest income and expenditure, respectively.

More detailed information can be found in the Pensions note to the accounts.

Levy income

AHDB raises statutory levies from the meat and livestock (cattle, sheep and pigs) sectors in England, the commercial milk sector in Great Britain and the cereals and oilseeds sector in the UK. Due to the winding down of the Horticulture and Potato sectors, statutory levies no longer apply in these sectors. Levy income is based on the latest available estimates of sector-specific levy quantities, as billable within the provisions of Schedule 3 of the AHDB Order 2008.

Levy income is treated under IFRS 15 as adapted and interpreted by FrEM. As AHDB is required to retain the revenue received from levy payers, maximise it to deliver benefits to each sector as a whole, and the amounts can be reliably measured, AHDB is not required to wait until all, or substantially all, of the revenue has been received in order to recognise the revenue. Levy payers are invoiced based on returns they make to AHDB according to the timeframes stipulated in the Statutory Instrument (2008/576) with income accruals, based on the latest market intelligence and historical trend analysis, being prepared at the year-end where required. A calculation to ascertain the hypothetical levy gap, being an assessment of levy potentially due but not declared, has been carried out and is not deemed to be material.

a) Red meat levies

Red meat levies consist of two parts: the producer levy and the slaughterer/exporter levy. The producer element is collected and held on trust for AHDB by slaughterers and exporters who pay the levy directly to AHDB. Levy is calculated on the number of animals slaughtered or exported and these details are notified to AHDB through the completion of regular returns. Upon receipt of the return, AHDB calculates the levy due and issues an invoice for payment.

b) Cereals and oilseeds levies

The cereals levy is based on weight and has two elements, a grower levy and a buyer levy. A buyer of cereals must deduct the grower levy element from the price paid and hold it on trust for AHDB. For oilseeds, there is only a grower levy, so a buyer must deduct all the levy from the price paid to the grower, hold it on trust, and then pay it to AHDB. Levy is also payable on cereals that are processed, with differential rates applying, dependent on whether the cereals are processed into feeding stuffs or non-feeding stuffs. Cereal grower, buyer and processor levies are invoiced quarterly in arrears and oilseed grower levy is invoiced biannually in arrears. The income recognised in the financial statements comprises the actual levy invoiced for that year and an estimate of the levy due for the period for which there has not yet been an invoice raised. This estimate is based on the latest market intelligence and analysis of historical trends.

c) Milk levy

A person who buys milk from a producer pays a levy to AHDB, which the buyer deducts from the price paid to the producer. Levy is also payable by those producers who sell their milk directly to the public from their holding, as defined in the Order. Milk levy is based on volume. Milk buyers notify AHDB at the end of every month the amount of milk bought in that month. Direct sellers of milk are required by 14 May each year to notify AHDB of the amount of milk produced on that holding for the previous year ending 1 April. The income recognised in the financial statements comprises the actual

Notes to the financial statements

1. Principal accounting policies (continued)

levy invoiced for that year and an estimate of the levy due for the period for which there has not yet been an invoice raised. This estimate is based on latest market intelligence and analysis of historical trends.

d) Horticulture levies (deployed by AHDB Horticulture)

2021/22 was the final year in which the Horticulture statutory levy applied.

e) Potato levies (deployed by AHDB Potatoes)

2021/22 was the final year in which the Potato statutory levy applied.

Income recognition

All income is recorded on a gross basis in the consolidated statement of comprehensive net expenditure, except where AHDB is acting as an agent in making payments to third parties. In such instances, income and expenditure are offset and, therefore, not recorded in the financial statements.

Section 35 of the Agriculture Act 2020 (c.21) contains provisions that permit the redistribution of levies between red meat levy bodies in Great Britain in certain circumstances.

The mechanism agreed upon by Ministers was not to write this into secondary legislation in each country but to construct a scheme which laid out the methodology and mechanism to underpin the redistribution of red meat levies. The scheme came into force on 1 April 2021 and remains in force unless suspended, revoked by the Ministers or ended under paragraph 51.

Red meat levies are recorded gross. However, any levies to be redistributed in accordance with 'The Scheme' are recorded as a separate 'Levy Repatriation' line to gross levy income.

Repatriation of income is recognised based on calculations agreed by each levy body.

Non-levy income comprises several sources, including grant income and other small amounts of levy-work-related income. Non-levy income is recognised at the point at which the obligation is fulfilled in line with the contract.

Reserves

Continuing sectors

Following agreement with the AHDB board to reset the sector minimum reserves threshold, because of the Horticulture & Potatoes ballot outcomes, the reserves policy has been revised, effective from 1 April 2022, and has been calculated based on a potential wind-up situation, excluding pensions liabilities, to be self-funded by the sector.

The following options are considered below when setting the minimum reserves threshold for each sector:

- Set the sector minimum reserves threshold so it is the higher value between:
 - The sector's share of the cashflow and contingency requirements of AHDB, or
 - The level of sector reserves needed to self-fund a wind-up situation, when also applying the funds raised through 12 months of levy post any decision to cease operating in a sector

Winding down sectors

2021/22 was the final year in which the Horticulture and Potato statutory levy applied. Parliament approved the related changes to the legislation governing AHDB on 26 May 2022.

The reserves remaining in the winding down sectors will be released where there is sufficient industry support to continue the furtherance of the critical work by an industry third party within the respective sectors, and grant applications are submitted and approved by Defra. If industry support is not present, AHDB will seek guidance from Defra via the industry on how to utilise the reserves. A contingent reserve will remain in each sector for a period of six years (post wind down) to cover any residual risks that may occur as a result of the wind-down.

Notes to the financial statements

1. Principal accounting policies (continued)

Distribution of surplus available reserves

Horticulture

The AHDB board in conjunction with Defra agreed to the available surplus reserves being distributed as a grant to an industry third party called Horticulture Crop Protection Ltd (HCP Ltd), to continue Extensions of Authorisation for Minor Uses (EAMUs) and Emergency Authorisations (EAs) services, following the winding down of the sector. A final grant application of £1.3m was made to Defra and approval was granted on 8 March 2023. The grant agreement was signed by AHDB and HCP Ltd, on 31 March 2023 with a transfer date of 14 April 2023. The grant has been treated as a financial commitment which can be found in the Liabilities note.

Payment of the grant to HCP Ltd, commenced on 14 April 2023.

Potatoes

A business case proposal to make a grant to GB Potatoes Organisation Limited from remaining AHDB Potato sector reserves to undertake project work with industry-wide benefit to the GB potato sector was approved by Defra in May 2024. Work continues in formally establishing the grant agreement in 2024/25.

Notes to the financial statements

2a. Analysis of income and expenditure by segment: Actual for the year ended 31 March 2024

Accounting standard IFRS 8 requires entities to report their performance by segment, which AHDB complies with by analysing its income and expenditure by its six sectors and their subsidiary Livestock Information Limited.

	AHDB Cereals & Oilseeds £'000	AHDB Dairy £'000	AHDB Pork £'000	AHDB Beef & Lamb £'000	AHDB Continuing £'000	AHDB Potatoes £'000	AHDB Horticulture £'000	AHDB Winding Down £'000	AHDB Total £'000	Livestock Information Limited £'000	Group Eliminations £'000	AHDB Group total £'000
Income												
Gross levy	11,069	7,449	8,583	16,503	43,604	(19)	(16)	(35)	43,569	-	-	43,569
Levy repatriation	-	-	(486)	(2,130)	(2,616)	-	-	-	(2,616)	-	-	(2,616)
Subtotal levy sources	11,069	7,449	8,097	14,373	40,988	(19)	(16)	(35)	40,953	-	-	40,953
<i>Non-levy sources:</i>												
Fee and grant income	179	733	724	827	2,463	-	119	119	2,582	-	(241)	2,341
EU grant income	4	126	-	-	130	-	-	-	130	-	-	130
Livestock Information & Movement System	-	-	-	-	-	-	-	-	-	253	-	253
Subtotal non-levy sources	183	859	724	827	2,593	-	119	119	2,712	253	(241)	2,724
Total income	11,252	8,308	8,821	15,200	43,581	(19)	103	84	43,665	253	(241)	43,677
Operating expenditure												
Levy collection	(512)	(36)	(144)	(262)	(954)	(16)	(11)	(27)	(981)	-	-	(981)
<i>Core strategic activities:</i>												
Research and Development and Knowledge Exchange	(6,277)	(3,006)	(1,558)	(3,075)	(13,916)	(118)	(356)	(474)	(14,390)	-	-	(14,390)
Livestock Information & Movement System	-	-	-	-	-	-	-	-	-	(12,070)	241	(11,829)
Trade Development	(152)	(1,198)	(2,770)	(4,644)	(8,764)	(1)	-	(1)	(8,765)	-	-	(8,765)
Export Development	(38)	(714)	(1,277)	(3,540)	(5,569)	10	10	20	(5,549)	-	-	(5,549)
Market Intelligence	(1,232)	(833)	(974)	(1,348)	(4,387)	(4)	(4)	(8)	(4,395)	-	-	(4,395)
Levy Payer Communications	(1,460)	(1,192)	(1,079)	(1,485)	(5,216)	-	-	-	(5,216)	-	-	(5,216)
Digital & Creative	(223)	(208)	(147)	(233)	(811)	-	-	-	(811)	-	-	(811)
Support and other expenditure	(1,874)	(1,082)	(1,079)	(2,006)	(6,041)	692	(432)	260	(5,781)	-	-	(5,781)
Subtotal core strategic activities:	(11,256)	(8,233)	(8,884)	(16,331)	(44,704)	579	(782)	(203)	(44,907)	(12,070)	241	(56,736)
Current pension service cost	(39)	-	(133)	(267)	(439)	-	-	-	(439)	-	-	(439)
Total operating expenditure	(11,807)	(8,269)	(9,161)	(16,860)	(46,097)	563	(793)	(230)	(46,327)	(12,070)	241	(58,156)

Support and other expenditure includes the cost of central functions, such as Finance, HR and Information Systems; the cost of the AHDB and sector councils, bad debt provisions, non-operating expenditure, as well as some final salary pension scheme adjustments.

Notes to the financial statements

2a. Analysis of income and expenditure by segment: Actual for the year ended 31 March 2024 (continued)

	AHDB Cereals & Oilseeds £'000	AHDB Dairy £'000	AHDB Pork £'000	AHDB Beef & Lamb £'000	AHDB Continuing £'000	AHDB Potatoes £'000	AHDB Horticulture £'000	AHDB Winding Down £'000	AHDB Total £'000	Livestock Information Limited £'000	Group Eliminations £'000	AHDB Group total £'000
Surplus/(deficit) on ordinary activities before interest and taxation	(555)	39	(340)	(1,660)	(2,516)	544	(690)	(146)	(2,662)	(11,817)	-	(14,479)
Interest receivable	216	141	227	351	935	53	131	184	1,119	-	-	1,119
Interest charges on Right of Use Assets	(22)	(14)	(15)	(27)	(78)	-	-	-	(78)	-	-	(78)
Other finance income/expenditure	4	-	(33)	(67)	(96)	-	-	-	(96)	-	-	(96)
Deemed Disposal of Livestock Information Limited										(11,098)		(11,098)
Surplus/(deficit) on ordinary activities before taxation	(357)	166	(161)	(1,403)	(1,755)	597	(559)	38	(1,717)	(22,915)	-	(24,632)
Taxation	(54)	(35)	(57)	(88)	(234)	(13)	(32)	(45)	(279)	-	-	(279)
Surplus/(deficit) for the financial year	(411)	131	(218)	(1,491)	(1,989)	584	(591)	(7)	(1,996)	(22,915)	-	(24,911)
Net gain/(loss) on revaluation of pension assets and liabilities	(388)	-	(33)	(67)	(488)	-	-	-	(488)	-	-	(488)
Total comprehensive income/(expenditure)	(799)	131	(251)	(1,558)	(2,477)	584	(591)	(7)	(2,484)	(22,915)	-	(25,399)

AHDB parent figures

AHDB produced a separate parent statement of comprehensive income on page 41. Its results are included in the group results above, consolidated with its subsidiaries as detailed in Note 12. Assets and liabilities are not separately reported by sector.

Underlying surplus/(deficit)

The above includes the movements on pension scheme assets and liabilities and property, plant and equipment which are not part of AHDB's available reserves. Excluding those movements, the net trading performance is:

	AHDB Cereals & Oilseeds £'000	AHDB Dairy £'000	AHDB Pork £'000	AHDB Beef & Lamb £'000	AHDB Continuing £'000	AHDB Potatoes £'000	AHDB Horticulture £'000	AHDB Winding Down £'000	AHDB Total £'000	Livestock Information Limited £'000	Group Eliminations £'000	AHDB Group total £'000
Total comprehensive income/(expenditure)	(799)	131	(251)	(1,558)	(2,477)	584	(591)	(7)	(2,484)	(22,915)	-	(25,399)
Movement on Pension Asset/Liability	188	-	(33)	(67)	88	-	-	-	88	-	-	88
Underlying surplus/(deficit) for the financial year	(611)	131	(284)	(1,625)	(2,389)	584	(591)	(7)	(2,396)	(22,915)	-	(25,311)

Notes to the financial statements

2b. Analysis of income and expenditure by segment: Actual for the year ended 31 March 2023

Accounting standard IFRS 8 require entities to report their performance by segment, which AHDB complies with by analysing its income and expenditure by its six sectors and their subsidiary Livestock Information Limited.

	AHDB Cereals & Oilseeds £'000	AHDB Dairy £'000	AHDB Pork £'000	AHDB Beef & Lamb £'000	AHDB Continuing £'000	AHDB Potatoes £'000	AHDB Horticulture £'000	AHDB Winding Down £'000	AHDB Total £'000	Livestock Information Limited £'000	Group Eliminations £'000	AHDB Group total £'000
Income												
Gross levy	11,206	7,338	9,409	16,826	44,779	(127)	129	2	44,781	-	-	44,781
Levy repatriation	-	-	(525)	(2,106)	(2,631)	-	-	-	(2,631)	-	-	(2,631)
Subtotal levy sources	11,206	7,338	8,884	14,720	42,148	(127)	129	2	42,150	-	-	42,150
<i>Non-levy sources:</i>												
Fee and grant income	567	1,590	490	1,684	4,331	(1)	384	383	4,714	-	(383)	4,331
EU grant income	11	745	-	-	756	-	-	-	756	-	-	756
Livestock Information & Movement System	-	-	-	-	-	-	-	-	-	420	-	420
Subtotal non-levy sources	578	2,335	490	1,684	5,087	(1)	384	383	5,470	420	(383)	5,507
Total income	11,784	9,673	9,374	16,404	47,235	(128)	513	385	47,620	420	(383)	47,657
Operating expenditure												
Levy collection	(509)	(17)	(157)	(247)	(930)	(101)	(94)	(195)	(1,125)	-	-	(1,125)
<i>Core strategic activities:</i>												
Research and Development and Knowledge Exchange	(5,846)	(4,311)	(1,562)	(3,406)	(15,125)	(60)	(2,230)	(2,290)	(17,415)	-	-	(17,415)
Livestock Information & Movement System	-	-	-	-	-	-	-	-	-	(15,063)	383	(14,680)
Trade Development	(114)	(1,130)	(2,543)	(3,034)	(6,821)	(1)	-	(1)	(6,822)	-	-	(6,822)
Export Development	(94)	(579)	(1,022)	(4,210)	(5,905)	-	-	-	(5,905)	-	-	(5,905)
Market Intelligence	(1,028)	(857)	(1,141)	(1,058)	(4,084)	(32)	(7)	(39)	(4,123)	-	-	(4,123)
Levy Payer Communications	(1,457)	(937)	(970)	(1,535)	(4,899)	(3)	(16)	(19)	(4,918)	-	-	(4,918)
Digital & Creative	(408)	(281)	(214)	(812)	(1,715)	-	-	-	(1,715)	-	-	(1,715)
Support and other expenditure	(2,193)	(1,410)	(1,246)	(2,506)	(7,355)	(279)	(544)	(823)	(8,178)	-	-	(8,178)
Subtotal core strategic activities:	(11,140)	(9,505)	(8,698)	(16,561)	(45,904)	(375)	(2,797)	(3,172)	(49,076)	(15,063)	383	(63,756)
Current pension service cost	(22)	-	(133)	(267)	(422)	-	-	-	(422)	-	-	(422)
Total operating expenditure	(11,671)	(9,522)	(8,988)	(17,075)	(47,256)	(476)	(2,891)	(3,367)	(50,623)	(15,063)	383	(65,303)

Support and other expenditure includes the cost of central functions, such as Finance, HR and Information Systems; the cost of the AHDB and sector councils, bad debt provisions, non-operating expenditure, as well as some final salary pension scheme adjustments.

Notes to the financial statements

2b. Analysis of income and expenditure by segment: Actual for the year ended 31 March 2023 (continued)

	AHDB Cereals & Oilseeds £'000	AHDB Dairy £'000	AHDB Pork £'000	AHDB Beef & Lamb £'000	AHDB Continuing £'000	AHDB Potatoes £'000	AHDB Horticulture £'000	AHDB Winding Down £'000	AHDB Total £'000	Livestock Information Limited £'000	Group Eliminations £'000	AHDB Group total £'000
Surplus/(deficit) on ordinary activities before interest and taxation	113	151	386	(671)	(21)	(604)	(2,378)	(2,982)	(3,003)	(14,643)	-	(17,646)
Interest receivable	79	49	78	141	347	28	83	111	458	-	-	458
Interest payable	-	-	-	(1)	(1)	-	-	-	(1)	-	-	(1)
Interest charges on Right of Use Assets	(4)	(4)	(4)	(6)	(18)	1	1	2	(16)	-	-	(16)
Other finance income/expenditure	(1)	-	-	-	(1)	-	-	-	(1)	-	-	(1)
Surplus/(deficit) on ordinary activities before taxation	187	196	460	(537)	306	(575)	(2,294)	(2,869)	(2,563)	(14,643)	-	(17,206)
Taxation	(15)	(9)	(15)	(27)	(66)	(5)	(16)	(21)	(87)	-	-	(87)
Surplus/(deficit) for the financial year	172	187	445	(564)	240	(580)	(2,310)	(2,890)	(2,650)	(14,643)	-	(17,293)
Net gain/(loss) on revaluation on property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Net gain/(loss) on revaluation of pension assets and liabilities	(2)	-	(900)	(1,800)	(2,702)	-	-	-	(2,702)	-	-	(2,702)
Total comprehensive income/(expenditure)	170	187	(455)	(2,364)	(2,462)	(580)	(2,310)	(2,890)	(5,352)	(14,643)	-	(19,995)

AHDB parent figures

AHDB produced a separate parent statement of comprehensive income on page 41. Its results are included in the group results above, consolidated with its subsidiaries as detailed in Note 12. Assets and liabilities are not separately reported by sector.

Underlying surplus/(deficit)

The above includes the movements on pension scheme assets and liabilities and property, plant and equipment which are not part of AHDB's available reserves. Excluding those movements, the net trading performance is:

	AHDB Cereals & Oilseeds £'000	AHDB Dairy £'000	AHDB Pork £'000	AHDB Beef & Lamb £'000	AHDB Continuing £'000	AHDB Potatoes £'000	AHDB Horticulture £'000	AHDB Winding Down £'000	AHDB Total £'000	Livestock Information Limited £'000	Group Eliminations £'000	AHDB Group total £'000
Total comprehensive income/(expenditure)	170	187	(455)	(2,364)	(2,462)	(580)	(2,310)	(2,890)	(5,352)	(14,643)	-	(19,995)
Revaluation on property, plant and equipment	-	-	-	-	-	-	-	-	-	-	-	-
Movement on Pension Asset/Liability	(144)	-	800	1,600	2,256	-	-	-	2,256	-	-	2,256
Underlying surplus/(deficit) for the financial year	26	187	345	(764)	(206)	(580)	(2,310)	(2,890)	(3,096)	(14,643)	-	(17,739)

Notes to the financial statements

3. Staff numbers and related costs

	For the period ended 31 March 2024			Restated for the year ended 31 March 2023		
	Staff with a permanent (UK) employment contract	Other staff engaged on the objectives of AHDB	Total staff	Staff with a permanent (UK) employment contract	Other staff engaged on the objectives of AHDB	Total staff
Numbers employed						
The average full-time equivalent numbers employed by AHDB during the year, were:						
AHDB activities – Non-levy-dependent	3	-	3	14	-	14
AHDB activities – Levy-dependent	333	-	333	341	-	341
Livestock Information Limited	12	1	13	10	-	10
Total	348	1	349	365	-	365
Staff costs - AHDB	£'000	£'000	£'000	£'000	£'000	£'000
Salaries	14,941	-	14,941	15,293	15	15,308
Social security costs	1,796	-	1,796	1,959	-	1,959
Defined contribution scheme costs	1,337	-	1,337	1,473	-	1,473
Staff costs - LI Limited						
Salaries	707	30	737	585	-	585
Social security costs	95	-	95	78	-	78
Defined contribution scheme costs	67	-	67	49	-	49
Staff costs - closed pension schemes						
Defined benefit scheme current service and admin costs (Note 21e)	439	-	439	422	-	422
Total staff costs	19,382	30	19,412	19,859	15	19,874

The figures in the above table relating to LI Limited only reflect the period 1 April 2023 to 31 October 2023. See Note 12 for more information. All FTE calculates are based on an average over 12 months.

Notes to the financial statements

4. Income and expenditure on ordinary activities of the Group before interest and taxation

	Group As at 31-Mar-24 £'000	AHDB As at 31-Mar-24 £'000	Group As at 31-Mar-23 £'000	AHDB As at 31-Mar-23 £'000
Surplus/(deficit) on ordinary activities before interest and taxation is stated after charging/(crediting)				
Income	43,677	43,665	47,657	47,620
Expenditure				
Staff Costs	(18,973)	(18,074)	(19,452)	(18,741)
Staff Related Costs	(2,823)	(2,475)	(2,747)	(2,228)
Defined Benefit Pension Costs	(439)	(439)	(423)	(423)
Rent & Service Charges	(47)	(47)	(457)	(457)
Vehicle leases	54	54	(147)	(147)
Hire of equipment	(20)	(20)	(37)	(37)
Building Costs	(755)	(753)	(1,364)	(1,362)
Information Technology	(1,323)	(1,392)	(1,444)	(1,205)
Subscriptions & Books	(606)	(596)	(584)	(583)
Legal & Professional Services	(564)	(519)	(867)	(783)
Sub Contracted Services	(14,840)	(6,799)	(19,394)	(10,093)
Audit remuneration and expenses	(172)	(144)	(180)	(138)
Other Charges	(13)	(13)	4	6
Collection and Commission	(762)	(762)	(811)	(811)
Research and development and knowledge exchange	(505)	(501)	(374)	(374)
Marketing	(11,322)	(11,321)	(9,668)	(9,668)
Communication	(554)	(553)	(1,008)	(1,008)
Shows & Events	(2,566)	(2,543)	(1,544)	(1,540)
Other Non Operating	420	420	(673)	(673)
Non-cash items:				
Depreciation and amortisation	(2,925)	(429)	(4,067)	(292)
Movement of receivables	579	579	(66)	(66)
Total Expenditure	(58,156)	(46,327)	(65,303)	(50,623)
Surplus/(deficit) on ordinary activities before interest and taxation	(14,479)	(2,662)	(17,646)	(3,003)

The audit fee for AHDB is £143,500 (2022/23: £138,000) and the audit fee for LI Limited is £28,000 for the period 1 April 2023 to 31 October 2023 (2022/23: £42,000). The audit fee for LI Limited for 2022/23 was increased from £42,000 to £48,000 after the group accounts were published. Other Non Operating includes the costs of restructuring, redundancy and the sale of Sutton Bridge site.

The figures in the above table relating to LI Limited only reflect the period 1 April 2023 to 31 October 2023. See Note 12 for more information.

Notes to the financial statements

5. Taxation

	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000
Current tax		
UK corporation tax on commercial profits for the period	-	-
UK corporation tax on interest income for the period	279	87
Current tax charge for the year	279	87

The tax on commercial profits assessed for the year differs from the standard rate of corporation tax in the UK of 25% (2022/23: 19%). The differences are explained in the next table.

	For the year ended 31-Mar-24 £'000	Restated for the year ended 31-Mar-23 £'000
Statutory Activities not subject to corporation tax		
Income not chargeable for taxation purposes	43,677	47,657
Expenditure not deductible for taxation purposes	(69,428)	(65,321)
Surplus/(deficit) on statutory activities before taxation	(25,751)	(17,664)
Subject to corporation tax		
Interest receivable	1,119	458
Surplus/(deficit) on ordinary activities before taxation	(24,632)	(17,206)
Standard rate of corporation tax in the UK of 25% (2022/23 19%) on interest receivable	280	87
Over-provision in respect of prior years	(1)	-
Current tax charge for the year	279	87

HMRC have confirmed that AHDB is not regarded as trading in relation to its statutory levy activities and in consequence income is not within the charge to Corporation Tax and AHDB does not obtain a Corporation Tax deduction for any expenses incurred in fulfilling its statutory activities.

Interest received as a result of investment activity is not classed as statutory activity and is therefore subject to Corporation Tax.

Notes to the financial statements

6. Property, plant and equipment

Group	Leasehold improvements £'000	IT equipment £'000	Plant and machinery £'000	Total £'000
Cost or valuation				
As at 1 April 2022	1,897	381	65	2,343
Additions	43	137	-	180
Disposals	(1,897)	(244)	(24)	(2,165)
As at 31 March 2023	43	274	41	358
As at 1 April 2023	43	274	41	358
Additions	-	33	-	33
As at 31 March 2024	43	307	41	391
Depreciation				
As at 1 April 2022	(1,556)	(345)	(58)	(1,959)
Charge for year	(98)	(29)	(2)	(129)
Relating to disposals	1,654	237	24	1,915
As at 31 March 2023	-	(137)	(36)	(173)
As at 1 April 2023	-	(137)	(36)	(173)
Charge for year	(9)	(55)	(2)	(66)
As at 31 March 2024	(9)	(192)	(38)	(239)
Net book value as at 31 March 2024	34	115	3	152
Net book value as at 31 March 2023	43	137	5	185

Notes to the financial statements

7. Property, plant and equipment

AHDB	Leasehold improvements £'000	IT equipment £'000	Plant and machinery £'000	Total £'000
Cost or valuation				
As at 1 April 2022	1,897	381	65	2,343
Additions	43	137	-	180
Disposals	(1,897)	(244)	(24)	(2,165)
As at 31 March 2023	43	274	41	358
As at 1 April 2023	43	274	41	358
Additions	-	33	-	33
As at 31 March 2024	43	307	41	391
Depreciation				
As at 1 April 2022	(1,556)	(344)	(59)	(1,959)
Additions	(98)	(29)	(2)	(129)
Relating to disposals	1,654	236	25	1,915
As at 31 March 2023	-	(137)	(36)	(173)
As at 1 April 2023	-	(137)	(36)	(173)
Charge for year	(9)	(55)	(2)	(66)
As at 31 March 2024	(9)	(192)	(38)	(239)
Net book value as at 31 March 2024	34	115	3	152
Net book value as at 31 March 2023	43	137	5	185

Notes to the financial statements

8. Intangible assets

Group	Software Licence £'000	Software Development £'000	Asset under Construction £'000	Total £'000
Cost or valuation				
As at 1 April 2022	2,400	10,659	-	13,059
Additions	-	4,451	5,094	9,545
As at 31 March 2023	2,400	15,110	5,094	22,604
As at 1 April 2023	2,400	15,110	5,094	22,604
Additions	-	-	8,130	8,130
LI Limited 2022/23 adjustments after group accounts finalised	-	(561)	-	(561)
Deemed disposal of Livestock Information Ltd	(2,200)	(14,257)	(13,224)	(29,681)
As at 31 March 2024	200	292	-	492
Amortisation				
As at 1 April 2022	(100)	(221)	-	(321)
Charge of year	(577)	(3,283)	-	(3,860)
As at 31 March 2023	(677)	(3,504)	-	(4,181)
As at 1 April 2023	(677)	(3,504)	-	(4,181)
LI Limited 2022/23 adjustments after group accounts finalised	-	57	-	57
Charge for year	(492)	(2,110)	-	(2,602)
Deemed disposal of Livestock Information Ltd	1,048	5,428	-	6,476
As at 31 March 2024	(121)	(129)	-	(250)
Net book value as at 31 March 2024	79	163	-	242
Net book value as at 31 March 2023	1,723	11,606	5,094	18,423

The value of additions through the year predominantly relates to the further development of the cattle tagging system, UK-wide tracing view and multispecies platform. The group incurred £1.4 million as non-capitalised research and development expenditure related to the asset during 2023/24, related to the build of traceability functions for further species and cross-UK reporting capabilities.

AHDB held a controlling interest in LI Limited until 31 October 2023. AHDB held 51% of member voting rights and held influence over the appointments for a majority of board directors following a member resolution effect 1 November 2023, AHDB's holding of voting rights reduced to 15% and only appoints one board director. As at 31 March 2024 AHDB held no controlling interest in LI Limited and therefore has recognised the deemed disposal of LI Limited assets. See note 12 for further information.

There is a negative adjustment to Software Development in 2023/24 due to LI Limited 2022/23 audit adjustments after the group accounts were finalised (see also Group Reserves).

Notes to the financial statements

9. Intangible assets

AHDB	Software Licence £'000	Software Development £'000	Asset under Construction £'000	Total £'000
Cost or valuation				
As at 1 April 2022	200	247	-	447
Additions	-	45	-	45
As at 31 March 2023	200	292	-	492
As at 1 April 2023	200	292	-	492
As at 31 March 2024	200	292	-	492
Amortisation				
As at 1 April 2022	(56)	(3)	-	(59)
Charge for year	(27)	(58)	-	(85)
As at 31 March 2023	(83)	(61)	-	(144)
As at 1 April 2023	(83)	(61)	-	(144)
Charge for year	(38)	(68)	-	(106)
As at 31 March 2024	(121)	(129)	-	(250)
Net book value as at 31 March 2024	79	163	-	242
Net book value as at 31 March 2023	117	231	-	348

Notes to the financial statements

10. Right-of-use assets

10a. Right-of-use assets

Right-of-use assets represent the right to direct the use of an underlying asset arising as a result of a lease. AHDB does not own the underlying asset, but recognises the value of the right of use in accordance with IFRS 16.

AHDB	Property £'000	Motor Vehicles £'000	Total £'000
Cost or valuation			
As at 1 April 2022	183	36	219
Additions	2,441	-	2,441
As at 31 March 2023	2,624	36	2,660
As at 1 April 2023	2,624	36	2,660
Additions	-	13	13
Disposals	-	(25)	(25)
As at 31 March 2024	2,624	24	2,648
Depreciation			
As at 1 April 2022	-	-	-
Charge in year	(63)	(15)	(78)
As at 31 March 2023	(63)	(15)	(78)
As at 1 April 2023	(63)	(15)	(78)
Charge in year	(247)	(10)	(257)
Disposals	-	14	14
As at 31 March 2024	(310)	(11)	(321)
Carrying amount as at 31 March 2024	2,314	13	2,327
Carrying amount as at 31 March 2023	2,561	21	2,582

AHDB signed a new 10-year property lease on 13 February 2023, with a lease commencement date of 17 March 2023. The lease was treated as an addition for 2022-23 as it was available for immediate use. AHDB took up occupancy on 17 April 2023.

Notes to the financial statements

10. Right-of-use assets (continued)

10b. Lease liabilities

	Property £'000	Motor Vehicles £'000	Total £'000
As At 1 April 2022	183	36	219
In year additions	2,331	-	2,331
Lease liability interest	15	1	16
Lease liability payments	(24)	(15)	(39)
Carrying amount as at 31 March 2023	2,505	22	2,527
As At 1 April 2023	2,505	22	2,527
In year additions	-	13	13
In year disposals	-	(11)	(11)
Lease liability interest	78	-	78
Lease liability payments	(210)	(11)	(221)
Carrying amount as at 31 March 2024	2,373	13	2,386

	As at 31-Mar-24 £'000	As at 31-Mar-23 £'000
Obligations under leases recognised in the SoFP for the following periods comprise:		
Buildings		
Within one year	392	301
Between two and five years	1,288	1,267
Over five years	1,178	1,500
Less interest element	(485)	(563)
Present Value of obligations	2,373	2,505
Motor vehicles		
Within one year	8	15
Between two and five years	6	8
Over five years	-	-
Less interest element	(1)	(1)
Present Value of obligations	13	22

Notes to the financial statements

10. Right-of-use assets (continued)

10c. Elements in the Statement of Comprehensive Net Expenditure

	As at 31-Mar-24 £'000	As at 31-Mar-23 £'000
Variable lease payments not included in lease liabilities		
Sub-leasing income	-	-
Expenses related to short-term leases	24	484
Expenses related to low-value asset leases (excluding short-term leases)	8	14

AHDB have applied the recognition and measurement exemption for short term leases in accordance with IFRS 16 paragraphs (6-8). The low value exemption has also been applied to leases under £10k.

10d. Cash outflow for leases

	As at 31-Mar-24 £'000	As at 31-Mar-23 £'000
Total cash outflow for leases	220	39

11. Assets held for resale

The value of the assets classified as being 'held for sale' in the Statement of Financial Position in 2022/23 (£562k) related to the land and buildings of the Sutton Bridge Crop Storage Research site. The value was the lower of the carrying value and the fair value less costs to sell, in accordance with IFRS 5 – Non-current Assets Held for Sale and Discontinued Operations.

The activity within the Potatoes sector, including all activity undertaken at the site, was wound down during 2021/22, following the outcome of the levy-payer ballot in March 2021. Activity at the site ceased in December 2021 and the site was advertised on the open market for sale via informal tender, with the site being available for immediate sale. The sale was completed on 8 February 2024.

	Group As at 31-Mar-24 £'000	AHDB As at 31-Mar-24 £'000	Group As at 31-Mar-23 £'000	AHDB As at 31-Mar-23 £'000
Assets Held for Resale	-	-	562	562

Notes to the financial statements

12. Investments

Sutton Bridge Experimental Unit Limited

Sutton Bridge Experimental Unit Limited (SBEU) is a company limited by shares, with AHDB holding 7,749 (2022/23: 7,749) nominal value ordinary shares, representing 100% of the issued share capital of the company. SBEU's financial results for the year have been consolidated as part of the financial results for AHDB Potatoes in the analysis of income and expenditure by segment in Note 2. SBEU's statement of financial position forms a part of the AHDB Group consolidated statement of financial position. SBEU had no surplus or deficit for the year ended 31 March 2024 (2022/23: no surplus or deficit).

The carrying value of AHDB's investment reflects the share capital and reserves remaining in SBEU, which is intended to be dissolved during 2024/25, with the equity returning to its sole shareholder, AHDB.

The property that SBEU used to own was transferred to AHDB in 2021/22 and was subsequently sold by AHDB in 2023/24. The property transfer in 2021/22 resulted in a payable and a receivable balance in both AHDB and SBEU respectively. These balances are eliminated at an AHDB group level.

	Group As at 31-Mar-24 £'000	AHDB As at 31-Mar-24 £'000	Group As at 31-Mar-23 £'000	AHDB As at 31-Mar-23 £'000
AHDB investment in SBEU	-	514	-	514

Other subsidiary undertakings

Livestock Information Limited

Livestock Information Limited (LI Limited) is a company limited by guarantee with two members, AHDB and Defra. LI Limited was incorporated on 18 July 2019, becoming operational on 1 October 2019. The first accounting period for LI Limited was from 18 July 2019 to 31 March 2020. LI Limited's registered office is Seacole building, 2 Marsham Street, London, SW1P 4DF. The company has been incorporated to manage the development and implementation of a new Livestock Information Service, providing multi-species livestock information, identification and traceability.

AHDB held a controlling interest in LI Limited until 31 October 2023. AHDB held 51% of member voting rights and held influence over the appointments for a majority of board directors. Following a member resolution effective 1 November 2023, AHDB's holding of voting rights reduced to 15% and can only appoint one board director. AHDB has fully consolidated the financial results of LI Limited for the period of 1 April 2023 to 31 October 2023 as part of the financial results for the AHDB Group. The other member of LI Limited is Defra. Defra's interest is represented as a non-controlling interest in AHDB's consolidated statement of comprehensive net expenditure. Note 2a provides details of LI Limited Income and Expenditure.

There were no proceeds as a result of the change in control and as this change is being considered a deemed disposal, a loss equivalent to AHDB's share of the net assets as at 31 October 2023 is reflected through the consolidated statement of comprehensive net expenditure per IFRS 10 (£11.1 million). See Note 12 for further information.

Notes to the financial statements

12. Investments (continued)

Other subsidiary undertakings (continued)

Livestock Information Limited statement of financial position

	As at 31-October-23	
	£'000	£'000
Non-current assets		
Intangible assets	23,205	
Total non-current assets		23,205
Current assets		
Trade and other receivables	81	
Cash at bank and in hand	4,543	
Total current assets		4,624
Total assets		27,829
Current liabilities		
Trade and other payables	(6,124)	
Total current liabilities		(6,124)
Net assets		21,705

13. Financial assets

	Group As at 31-Mar-24 £'000	AHDB As at 31-Mar-24 £'000	Group As at 31-Mar-23 £'000	AHDB As at 31-Mar-23 £'000
Barclay Bank Treasury Deposits	18,000	18,000	20,000	20,000

AHDB places surplus cash funds on deposit with Barclays Bank for terms ranging from one week to 12 months. Deposits with maturities greater than three months are considered to be a financial asset rather than cash and cash equivalent in accordance with IFRS 9.

Notes to the financial statements

14. Trade and other receivables

	Group As at 31-Mar-24 £'000	AHDB As at 31-Mar-24 £'000	Group As at 31-Mar-23 £'000	AHDB As at 31-Mar-23 £'000
Amounts falling due within one year				
Levy income receivable	2,131	2,131	3,046	3,046
Receivables for fee and other income	234	234	277	277
Expected credit loss	(93)	(93)	(815)	(815)
Accrued EU grant income	-	-	457	457
Prepayments	1,296	1,296	979	975
Accrued income	3,416	3,416	3,634	3,615
Other Debtors	61	61	102	102
Amounts owed by subsidiary undertakings	-	-	-	32
Balances with central government bodies	116	116	198	118
Total amounts falling due within one year	7,161	7,161	7,878	7,807

	Group As at 31-Mar-24 £'000	AHDB As at 31-Mar-24 £'000	Group As at 31-Mar-23 £'000	AHDB As at 31-Mar-23 £'000
Amounts falling due greater than one year				
Prepayments and accrued income	-	-	-	-
Total amounts falling due greater than one year	-	-	-	-

	Group As at 31-Mar-24 £'000	AHDB As at 31-Mar-24 £'000	Group As at 31-Mar-23 £'000	AHDB As at 31-Mar-23 £'000
Receivables past due				
Up to 3 months past due	523	523	1,041	1,041
3 to 6 months past due	36	36	133	133
Over 6 months past due	57	57	722	722
	616	616	1,896	1,896

Group trade and other receivables at 31 March 2024 were £7.1 million compared to 31 March 2023 of £7.9 million which is a decrease of £0.8 million. As at 31 March 2024 AHDB held no controlling interest in LI Limited and therefore has not consolidated LI Limited within the trade and other receivables. The LI Limited value consolidated as at 31 March 2023 was £0.1 million.

Levy income receivable is £0.9 million less than March 2023, due to settlement of debt and the adjustment of actual levy return values compared with estimated levy return values in the Horticulture and Potato sectors.

Expected credit loss has reduced by £0.7 million since March 2023 due to the settlement of debts and processing adjustments for companies that are in administration.

Income accrued in March 2023 for EU grants have been paid in full during 2023/24.

Prepayments are £0.3 million more than March 2023, mainly due to the timing of overseas events where payments are required in advance to secure stand space.

Accrued income is £0.2 million less than March 2023 due the downturn in cereals and oilseeds production volumes.

Notes to the financial statements

15. Cash and cash equivalents

	Group 31-Mar-24 £'000	AHDB 31-Mar-24 £'000	Group 31-Mar-23 £'000	AHDB 31-Mar-23 £'000
Balance at 1 April prior year	6,647	5,143	22,572	22,336
Net change in cash and cash equivalents	(1,583)	(79)	(15,925)	(17,193)
Balance at 31 March	5,064	5,064	6,647	5,143
Balances at 31 March were:				
Short term investment	3,000	3,000	3,000	3,000
Commercial banks and cash in hand	2,064	2,064	3,647	2,143
Balance at 31 March	5,064	5,064	6,647	5,143

£3m is held in a 32-day notice account. AHDB place surplus cash funds on deposit with Barclays Bank for terms ranging from one week to 12 months. Deposits with maturities greater than three months are considered to be a financial asset rather than cash and cash equivalent in accordance with IFRS 9.

16. Trade and other payables

	Group As at 31-Mar-24 £'000	AHDB As at 31-Mar-24 £'000	Group As at 31-Mar-23 £'000	AHDB As at 31-Mar-23 £'000
Amounts falling due within one year				
Trade payables	991	991	2,563	1,456
Accruals	2,997	2,997	6,105	4,266
Deferred income	128	128	79	79
Other payables	176	176	175	175
Corporation tax	280	280	87	87
VAT	433	433	146	52
Other taxation and social security	502	502	576	551
Amounts owed to subsidiary undertakings	-	514	-	514
Pig Industry Development Scheme Fund	78	78	77	77
Other Defra Bodies	3	3	490	4
Total amounts falling due within one year	5,588	6,102	10,298	7,261
Intragovernment balances				
Balances with central government bodies	1,217	1,217	1,299	695

Group trade and other payables at 31 March 2024 were £5.6 million compared to 31 March 2023 of £10.3 million, which is a decrease of £4.7 million. As at 31 March 2024 AHDB held no controlling interest in LI Limited and therefore has not consolidated LI Limited within the trade and other payables. The LI Limited value consolidated as at 31 March 2023 was £3.6 million.

Trade payables will fluctuate due to many factors including timing of receipt of invoices, invoice approval and invoice payment for the year ending March 2024, there is a reduction of £1.6 million and £1.3 million of the reduction relates to LI Limited.

Accruals have reduced by £3.1 million compared to March 2024. Accruals will fluctuate due to the timing of receipt and approval of invoices and the start and end dates of project and £2.1 million of the reduction relates to LI Limited.

Balance with other Defra bodies has reduced by £0.4 million due to timing of invoice payment.

Please refer to Note 12 for more information on LI Ltd.

Notes to the financial statements

17. Provisions

AHDB	Early Departures £'000	Other Provisions £'000	Dilapidations £'000	Total £'000
As at 1 April 2022	142	-	-	142
Provided in the year	1	-	160	161
Provisions not required written back	(121)	-	-	(121)
IFRS16 Discounting to Present Value	-	-	(50)	(50)
As at 31 March 2023	22		110	132
As at 1 April 2023	22	-	110	132
Provided in the year	-	21	-	21
Provisions not required written back	(6)	-	-	(6)
IFRS16 Discounting to Present Value	-	-	-	-
As at 31 March 2024	16	21	110	147

18. Financial commitments

	Group As at 31-Mar-24 £'000	AHDB As at 31-Mar-24 £'000	Group As at 31-Mar-23 £'000	AHDB As at 31-Mar-23 £'000
Approved research projects and grants				
Within one year	619	619	5,220	5,220
Thereafter	223	223	2,335	2,335
	842	842	7,555	7,555
Equipment				
Within one year	5	5	-	-
Between two and five years	9	9	-	-
	14	14	-	-

Following a review of and standardisation of contractual terms & conditions the research projects expenditure is no longer considered to be non-cancellable and has therefore been removed from the financial commitments for 2023/24. The majority of the remaining commitments relates to future grant expenditure.

Notes to the financial statements

19. Financial instruments

Because of the nature of its activities and the way in which AHDB is financed, it is not exposed to the degree of financial risk faced by other business entities. Moreover, financial instruments play a much more limited role than would be typical of the listed companies to which IFRS 7 mainly applies.

Financial assets and liabilities are generated by day-to-day operational activities and are not held to change the risks facing AHDB in undertaking its activities or for trading. The fair values of all its financial assets and liabilities are approximate to their amortised costs as they are short term and simple in nature. The investment strategies related to the Defined Benefit Pension assets are the responsibility of the Trustees of the MLC Pension Scheme and the HGCA Pension Plan. Note 21 has more information related to pensions.

	Group As at 31-Mar-24 £'000	Group As at 31-Mar-24 £'000	Group As at 31-Mar-23 £'000	Group As at 31-Mar-23 £'000
	Financial assets at amortised cost	Financial liabilities at amortised cost	Financial assets at amortised cost	Financial liabilities at amortised cost
Financial Asset	18,000		20,000	
Trade receivables				
Levy receivable	2,131		3,046	
Receivables for fees	234		277	
Accrued income	3,416		4,193	
Intragovernment balances	116		198	
Other	61			
Cash and equivalents	5,064		6,647	
Trade and other payables				
Trade payables		991		2,563
Accruals		2,997		6,184
Pig Industry Development Scheme Fund		78		77
Intragovernment balances		3		490
Other		176		175
Total	29,022	4,245	34,361	9,489

Credit, interest, and liquidity risk

AHDB is exposed to the usual credit risk and cash flow risk associated with invoicing on credit and manages this through credit control procedures. The nature of its financial instruments means it is not subject to price risk or liquidity risk.

AHDB place surplus cash funds on deposit with Barclays Bank for terms ranging from one week to 12 months. Deposits with maturities greater than three months are considered to be a financial asset rather than cash and cash equivalent in accordance with IFRS 9 (see Note 13). The funds held on deposit carry a minimal counter-party risk on return and interest rates are fixed for the investment term; however, once a deposit is made funds are no longer accessible until the end of the investment terms. There is the potential for a liquidity risk; however, this is minimised through regular cashflow management.

Foreign currency risk

AHDB's exposure to foreign currency risk is not currently significant. AHDB hold one euro bank account with a balance of €121k at 31 March 2024.

Market and price risk

AHDB's level of income is affected in the continuing sectors by general economic and market conditions. These are monitored and analysed by AHDB Market Intelligence to provide guidance as to future commodity trends. AHDB uses this guidance to inform its future cash projections and assist with decision-making regarding the timing of incurring variable costs.

Notes to the financial statements

20. Contingent liabilities

There were no contingent liabilities at 31 March 2024.

21. Pensions

AHDB operates a number of approved retirement benefit arrangements in the UK, encompassing both defined benefit (DB) schemes and defined contribution (DC) schemes.

21a. Group personal pension plans

AHDB WorkSave Pension Plan

The AHDB WorkSave Pension Plan is a group personal pension plan whereby AHDB has selected a pension scheme and provider that it believes to be suitable for its employees. The plan had a total of 347 members as at 31 March 2024 (31 March 2023, 358 members). The normal current employee and employer contribution rates are 3%/6%, 4%/8% and 5%/10%, respectively. The scheme is provided by Legal & General. The cost to AHDB Group of operating the scheme during the year ended 31 March 2024 was £1,338k (2022/23, £1,522k). The value of outstanding contributions as at 31 March 2024 was £115k (31 March 2023, £113k).

21b. Information about the legacy pension schemes

Introduction

The MLC Pension Scheme (MLCPS) and HGCA Pension Plan (HGCAPP) are schemes that were in existence before AHDB was formed, and the members of the schemes are pensioners or deferred members (employees who left AHDB or its predecessor bodies but have not yet retired). Also included are former active members who ceased accrual when the scheme/plan ceased accrual on 31 March 2022 and who have not yet retired. The assets and liabilities of the schemes relate almost entirely to ex-employees of MLC or HGCA.

Defined benefit schemes

The DB schemes expose the organisation to the usual risks involved in ensuring the schemes are adequately funded to meet their future obligations. Asset and liability matching is employed strategically to help mitigate risk. AHDB does not consider there to be any significant entity or plan-specific risks or any significant concentrations of risk in relation to the administration and management of the pension schemes' assets.

AHDB is aware of the High Court ruling in the case of Virgin Media Ltd. in connection with defined benefit pension schemes. Depending on the outcome of any appeal, it may be necessary to carry out a full investigation of both defined benefit schemes involving historic deeds of amendment to determine whether the relevant certification is in place and obtain a formal legal opinion. AHDB has not received legal advice on this ruling at this stage, and AHDB is not currently aware of any evidence to suggest that the appropriate certification was not obtained in relation to historic deeds of amendment. It is not possible to estimate the value of any potential contingent liability at this point.

MLC Pension Scheme

AHDB is the principal employer of this scheme, which, on 31 March 2022, ceased future accrual of all benefits. As a consequence, there were no longer any members of AHDB staff actively contributing to this scheme from that date.

Scheme valuation and funding

The assets of the scheme are held separately from those of AHDB, being invested with insurance and investment companies and held by the scheme Trustees. Contributions to the scheme are charged to AHDB's income and expenditure account and are determined by a qualified actuary on the basis of annual valuations, currently using the projected unit method. The employer's contributions to the scheme in 2024/25 are estimated at £0.7 million, including recovery plan contributions but excluding payments for expenses.

The scheme Trustees and AHDB are required to agree a "Technical Provisions" valuation at least once every three years. The latest valuation was completed as at 31 March 2021 and was finalised in August 2022. The triennial scheme valuation indicated a funding deficit of £7.3 million, necessitating the requirement for an agreed funding plan. The deficit recovery plan was agreed between the scheme Trustees and AHDB, and covers a remaining period of ten financial years, with the last payment due in December 2033. The next actuarial valuation is planned to be completed at 31 March 2024 and the valuation process is expected to begin in 2024/25.

AHDB engaged independent legal advice to review the MLC defined benefit pension scheme rules in order to assess AHDB's rights to any potential scheme surplus. Under the scheme deeds and rules, AHDB has no unconditional right for a refund of any surplus since the powers to award a refund rest with Trustees.

Notes to the financial statements

21. Pensions (continued)

21b. Information about the legacy pension schemes (continued)

The Technical Provisions valuation is used to evaluate the assets required to cover the scheme's liabilities. The assumptions used in the annual IAS 19 valuation are made on a different basis and timeframe, resulting in a different valuation which is commonplace. This year's IAS 19 valuation resulted in a scheme surplus of £4.5 million (Note 21f). As noted earlier, AHDB has no unconditional right to any scheme surplus, meaning that, under IFRIC 14, an asset ceiling is applied to the valuation. In addition to this, the discounted future cashflows relating to the DRC plan and the administration costs expected over that period are further liabilities related to the scheme, which result in a net deficit position of the scheme under IAS 19 of £2.3 million (Note 21f). This is the net of the present values of DRC contributions (£5.4m) and the present values of the administration costs arising over the relevant periods (£3.2m) using the same discount rate as for the overall defined benefit obligation. AHDB has taken the administration costs into account because while management analyse no unconditional right to long-term scheme surpluses, the DRC contributions when paid will be available as settlement for the administration costs for future periods, meeting the 'availability' test in IFRIC 14 over this shorter period.

Scheme buy-in policies and management

A substantial part of the scheme's assets is represented by buy-in policies with insurance providers (Aviva and Just) to cover the future liabilities of the scheme in relation to the in-payment pension obligations at that time. These buy-in policies were implemented in order to reduce the scheme's and the employer's risk exposure to future downturns in asset performance and improvements in longevity. Under the terms of each buy-in, the annuity policy is in the name of the Trustee and, as such, is considered a qualifying investment of the scheme. The policy attracts an income related to the Retail Price Index (RPI), while the pension payments from the scheme have guaranteed increases at the Consumer Price Index (CPI). While CPI remains lower than RPI, a small surplus will be generated and added to the total scheme assets for the benefit of the scheme as a whole. As shown in Note 21d, at 31 March 2024, 60% of the scheme's total assets were represented by the buy-in policies. The assets of the policies have been valued for AHDB's accounting purposes, using an IAS 19 discount rate, which ensures the assets are valued on a basis consistent with that used to value the future liabilities they are in place to settle.

The first policy was acquired in June 2011 to guarantee the obligations of pensions in payment at that date and of those pensioners' dependants in future. A further tranche of liabilities was added to the policy in July 2013 to cover pensions that had come into payment since June 2011, again including pensions falling due in the future to those pensioners' dependants. This policy is held with Aviva. In March 2016 a further policy was acquired from Just to cover pensions that have come into payment since July 2013. The valuation method used to value the assets placed on the buy-in policies with Aviva and Just is consistent with that used last year. It has been calculated as the present value of the future expected policy income stream, using the same assumptions as used to calculate the defined benefit obligation, except that the policy income in excess of Guaranteed Minimum Pensions (GMP) and GMP accrued post 5 April 1988 is assumed to increase in line with RPI inflation with relevant caps applied rather than CPI. These assumptions have been selected because the incomes from the policies match the corresponding pension payments from the scheme in all other aspects. By using these assumptions, in future years, the asset value on the buy-in policy will move in line with the corresponding liabilities while still allowing for the expected higher future income stream if RPI is assumed to be higher than CPI. The RPI and CPI accounting disclosure assumptions as at 31 March 2024 reflect our current assessment of the potential changes to the RPI in the future and the extent to which markets have already priced in these changes.

The MLCPS Trustee board has taken a fiduciary management approach and the managers have partially invested in a liability-driven-investment approach to try and reduce the potential volatility the scheme is exposed to. The effect of the ruling in the Lloyds Trustees vs Lloyds Bank PLC and Others [2018] case on Guaranteed Minimum Pensions (GMP) has been taken into account in the valuation of the liabilities of the scheme.

A further judgement was made on this case in November 2020 and covered whether schemes are required to revisit past transfers to allow for GMP equalisation. In 2021/22 the scheme actuary included an additional liability of £0.1 million for this purpose and accounted for it as a past service cost.

HGCA Pension Plan

The plan provides benefits to legacy HGCA employees, based on final salary. On 31 March 2022 the plan ceased future accrual of benefits, hence there were no members of staff actively contributing to this plan from that date.

The assets of the plan exist to provide benefits for all the members of the plan – current pensioners and deferred members (ex-employees and former active members as at 31 March 2022 who are yet to retire). Actuarial valuations are usually prepared on a triennial basis. The latest Technical Provisions valuation was completed as at 31 March 2022, identifying a £525k deficit. Annual Deficit Repair Contributions (DRCs) were agreed in June 2023 between AHDB and the plan Trustees of £210k per annum from 1 April 2023 to 30 September 2025.

The ruling in the Lloyds Trustees vs Lloyds Bank PLC and Others [2018] case on GMP equalisation has been taken into account in the valuation of the liabilities of the plan. A further judgement was made on this case in November 2020 and

Notes to the financial statements

21. Pensions (continued)

21b. Information about the legacy pension schemes (continued)

covered whether schemes are required to revisit past transfers to allow for GMP equalisation. The plan actuary confirmed that any additional allowance for this purpose would be immaterial; hence, no allowance has been made.

AHDB has historically considered whether it has an unconditional right to a refund of any surplus on the HGCA Pension Plan under IFRIC 14 and has determined that under the deed and rules, AHDB does not have such a right due to the powers of the Trustee. The assumptions used in the annual IAS 19 valuation are made on a different basis and timeframe to that of the Technical Provisions valuation resulting in a different amount, which is commonplace. This year's IAS 19 valuation resulted in a plan surplus of £2.3 million (Note 21f). As noted earlier, AHDB has no unconditional right to any plan surplus, meaning that, under IFRIC 14, an asset ceiling is applied to the valuation. In addition to this, the discounted future cashflows relating to the DRC plan and the administration costs expected over that period are further liabilities related to the scheme, which result in a net deficit position of the scheme under IAS 19 of £0.2 million (Note 21f). There was no DRC plan in place for HGCAPP at 31 March 2023, resulting in the asset ceiling being equal in value

to that of the plan surplus under the IAS 19 valuation method (£3.0 million). As a result, the plan had neither an asset nor a liability value in the Statement of Financial Position at 31 March 2023 (see Note 21f).

Defined contribution schemes

MLC Pension Scheme

On 31 March 2022, both sections of the MLC Pension Scheme ceased all future accrual of benefits. Consequently, the defined contribution section of the MLC Pension Scheme had no active members after 31 March 2022.

The cost to AHDB of operating this section of the MLC Pension Scheme during the year ended 31 March 2024 was nil (2022/23, nil) and the value of outstanding contributions as at 31 March 2024 was nil (31 March 2023: nil). This section of the scheme was closed to new members in 2008 when AHDB set up the AHDB WorkSave Pension Plan for newly appointed employees.

21c. Principal assumptions

The principal assumptions used to calculate the different scheme liabilities include:

	MLC Pension Scheme		HGCA Pension Plan	
	31-Mar-24 % pa	31-Mar-23 % pa	31-Mar-24 % pa	31-Mar-23 % pa
Price inflation	2.85	2.90	2.85	2.90
Rate of increase of pensions in payment*	2.75	2.80	2.75	2.80
Rate of increase for deferred pensioners*	2.85	2.90	2.85	2.90
Discount rate	4.85	4.90	4.85	4.90

* In excess of any Guaranteed Minimum Pension (GMP) element.

Under the mortality tables and projections adopted, the assumed future life expectancies of a 65-year-old are as follows:

	MLC Pension Scheme		HGCA Pension Plan	
	31-Mar-24 years	31-Mar-23 years	31-Mar-24 years	31-Mar-23 years
Male currently aged 65	21.0	21.5	22.0	22.1
Female currently aged 65	23.6	24.0	24.6	24.7
Male currently aged 50	22.1	22.8	22.9	23.0
Female currently aged 50	24.9	25.4	25.6	25.7

The weighted average duration of the defined benefit obligation is 15 years for HGCAPP and 11 years for MLCPS.

Notes to the financial statements

21. Pensions (continued)

21c. Principal assumptions (continued)

The mortality rates used in the IAS 19 valuation assumptions are based on the latest published CMI model available at the time of the valuation: the CMI 2022 model. The sensitivity analysis on the following page includes sensitivity to mortality rate assumptions.

The sensitivity of the value placed on the schemes' liabilities is reviewed as part of the process of setting the assumptions. To determine the sensitivity of the defined benefit obligation to changes in the key assumptions, an approximate basis change, based on the split of obligations between activities, deferrals, pensioners and dependants, and the estimated duration of each set of liabilities, was carried out. Examples of changes in the value of scheme liabilities in the event of any given assumption changing in isolation are noted below.

MLC Pension Scheme

If the discount rate is reduced by 50 basis points compared to that used in the assumptions, the present value of the defined benefit obligation would increase by £7.6 million. An increase in the price inflation rate of 50 basis points would result in an increase to the defined benefit obligation of £4.5 million. An increase in the post-retirement mortality assumption of one year would lead to an increase of £4.9 million in the defined benefit obligation.

HGCA Pension Plan

If the discount rate is reduced by 50 basis points compared to that used in the assumptions, the present value of the defined benefit obligation would increase by £1.2 million. An increase in the price inflation rate of 25 basis points would result in an increase to the defined benefit obligation of £0.5 million. An increase in the post-retirement mortality assumption of 25 basis points would lead to an increase of £0.1 million in the defined benefit obligation.

21d. Assets

The major categories of assets as a proportion of the fair value of total plan assets are as follows:

	MLC Pension Scheme				HGCA Pension Plan			
	31-Mar-24 £m	31-Mar-24 % pa	31-Mar-23 £m	31-Mar-24 % pa	31-Mar-24 £m	31-Mar-24 % pa	31-Mar-23 £m	31-Mar-24 % pa
Equities	5.8	4.0	14.7	9.8	-	-	-	-
Bonds	30.8	21.4	23.4	15.6	2.0	10.6	1.9	9.8
Diversified growth	-	-	-	-	7.5	40.9	7.9	40.3
Liability driven	13.1	9.1	8.8	5.9	8.7	47.3	9.3	47.8
Property	-	-	-	-	-	-	-	-
Annuities	86.3	60.0	92.7	61.7	0.1	0.6	0.1	0.5
Cash	0.4	0.3	0.4	0.3	0.1	0.6	0.3	1.6
Other	7.5	5.2	10.1	6.7	-	-	-	-
Total	143.9		150.1		18.4		19.5	

Notes to the financial statements

21. Pensions (continued)

21e. Components of defined benefit cost for the 12 months ended 31 March 2024

Analysis of the amounts charged to statement of comprehensive net expenditure:

	MLC Pension Scheme		HGCA Pension Plan		Total Pension Schemes	
	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000
Administration costs	(400)	(400)	(39)	(22)	(439)	(422)
Net interest on net defined benefit liability/(asset)	(100)	-	4	(1)	(96)	(1)
Total income/(expense) recognised in statement of comprehensive net expenditure	(500)	(400)	(35)	(23)	(535)	(423)

Analysis of the amounts charged to other comprehensive income:

	MLC Pension Scheme		HGCA Pension Plan		Total Pension Schemes	
	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000
Actuarial gains and (losses) on assets	(3,300)	(41,200)	(1,301)	(8,147)	(4,601)	(49,347)
Experience gains and (losses) on liabilities	500	(5,200)	82	(1,300)	582	(6,500)
Gains (losses) from changes to assumptions	2,400	44,700	179	7,551	2,579	52,251
Change in irrecoverable surplus	300	(1,000)	652	1,894	952	894
Total amount (charged)/credited in other comprehensive income	(100)	(2,700)	(388)	(2)	(488)	(2,702)

Notes to the financial statements

21. Pensions (continued)

21f. Reconciliation of the present value of the defined benefit obligation and the fair value of the plan assets to the assets and liabilities recognised in the statement of financial position

	MLC Pension Scheme		HGCA Pension Plan		Total Pension Schemes	
	As at 31-Mar-24 £'000	As at 31-Mar-23 £'000	As at 31-Mar-24 £'000	As at 31-Mar-23 £'000	As at 31-Mar-24 £'000	As at 31-Mar-23 £'000
Present value of defined benefit obligation	(139,400)	(145,700)	(16,072)	(16,457)	(155,472)	(162,157)
Fair value of plan assets	143,900	150,100	18,403	19,480	162,303	169,580
Surplus/(deficit) on Scheme	4,500	4,400	2,331	3,023	6,831	7,423
Irrecoverable surplus (effect of asset ceiling)	(6,800)	(6,800)	(2,519)	(3,023)	(9,319)	(9,823)
Net asset/(liability) recognised in Statement of Financial Position	(2,300)	(2,400)	(188)	-	(2,488)	(2,400)

Analysis of the movement in surplus/(deficit) during the year:

	MLC Pension Scheme		HGCA Pension Plan		Total Pension Schemes	
	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000
Surplus/(deficit) in the Scheme at start of year	(2,400)	-	-	(144)	(2,400)	(144)
Contributions paid	700	700	235	169	935	869
Net interest on net defined benefit (asset)/liability	(100)	-	4	(1)	(96)	(1)
Administration costs	(400)	(400)	(39)	(22)	(439)	(422)
Actuarial (loss)/gain	(100)	(2,700)	(388)	(2)	(488)	(2,702)
Surplus/(deficit) in the Scheme at end of year	(2,300)	(2,400)	(188)	-	(2,488)	(2,400)

Please note contributions paid include recovery plan payments.

Notes to the financial statements

21. Pensions (continued)

21g. Reconciliation of opening and closing balances of the present value of the defined benefit obligation

Change in scheme liabilities:

	MLC Pension Scheme		HGCA Pension Plan		Total Pension Schemes	
	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000
Balance at 1 April	(145,700)	(190,900)	(16,457)	(23,081)	(162,157)	(213,981)
Interest cost	(6,900)	(5,200)	(783)	(637)	(7,683)	(5,837)
Actuarial gains/(losses) on experience	500	(5,200)	82	(1,300)	582	(6,500)
Actuarial gains/(losses) on demographic assumptions	3,100	-	-	-	3,100	-
Actuarial gains/(losses) on financial assumptions	(700)	44,700	179	7,551	(521)	52,251
Benefits paid	10,300	10,900	907	1,010	11,207	11,910
Scheme liabilities at end of year	(139,400)	(145,700)	(16,072)	(16,457)	(155,472)	(162,157)

Change in scheme assets:

	MLC Pension Scheme		HGCA Pension Plan		Total Pension Schemes	
	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000	For the year ended 31-Mar-24 £'000	For the year ended 31-Mar-23 £'000
Balance at 1 April	150,100	196,500	19,480	27,720	169,580	224,220
Expected return on plan assets	7,100	5,400	935	770	8,035	6,170
Return on scheme assets greater/(less) than discount rate	(3,300)	(41,200)	(1,301)	(8,147)	(4,601)	(49,347)
Contributions by the employer	700	700	235	169	935	869
Administration costs	(400)	(400)	(39)	(22)	(439)	(422)
Benefits paid	(10,300)	(10,900)	(907)	(1,010)	(11,207)	(11,910)
Fair value of assets at end of year	143,900	150,100	18,403	19,480	162,303	169,580

Notes to the financial statements

21. Pensions (continued)

21h. Maturity profile of defined benefit obligation

The expected cash outlay required to meet defined benefit obligations as they arise over the next 10 years are shown below. The figures provided are on an undiscounted basis. A 10-year period is used because confidence in the accuracy of values in later years diminishes due to potential differences between the assumptions used now and the actual experience in the future.

	MLC	HGCA
	<u>£000</u>	<u>£000</u>
Expected benefit payments made during 2024/25	10,500	810
Expected benefit payments made during 2025/26	10,700	848
Expected benefit payments made during 2026/27	11,000	779
Expected benefit payments made during 2027/28	11,200	826
Expected benefit payments made during 2028/29	11,500	861
Expected benefit payments 2029/30 to 2033/34	61,600	4,827

22. Related party transactions

AHDB is a non-departmental public body (NDPB) funded by statutory levies and sponsored by the Department for Environment, Food and Rural Affairs (Defra). Defra is a government department that is regarded as a related party. Defra is the sponsoring department of the other arm's-length bodies listed below and, by virtue of their relationship with Defra, are also regarded as related parties.

The main government bodies the AHDB Group had transactions with during the year were Defra and other Defra bodies, HMRC, Cabinet Office, Scottish Enterprise, the Health and Safety Executive, and the Department for International Trade and Department of Business and Trade.

The AHDB Group structure including Livestock Information Limited is detailed in Note 12. Both Ken Boyns and Sarah Pumfrett were directors of Livestock Information Limited during 2023/24. Sarah resigned as director effective 1 November 2023.

Tim Rycroft was a director of Assured Food Standards (AFS) until 31 December 2023, with transactions of £5k during the year, and no balance was due at 31 March 2024.

Lyndon Edwards is a board director of Dairy UK, with transactions of £20k in the year and no balance at 31 March 2024.

All the above transactions were on an arm's-length basis.

Statutory levies were paid on an arm's-length basis (as the levy is set out in statute and approved by the Secretary of State) by businesses in which AHDB board members or close family members were involved, as shown in the table below:

AHDB Board / Statutory Committee Member	Levy Paying Entity	Sector(s)
Colin Bateman	CP & AG Bateman	Beef & Lamb
Stephen Briggs	Bluebell Farms Limited	Cereals & Oilseeds
Tom Clarke	TWH Clarke & Son (1954) Ltd	Cereals & Oilseeds (and previously Potatoes)
Lyndon Edwards	KE & LRC Edwards	Dairy and Beef & Lamb
Graham Wilkinson	Grey Close Farming	Beef & Lamb

No other AHDB board members, senior executive staff or other related parties have undertaken any material transactions with AHDB.

Notes to the financial statements

22. Related party transactions (continued)

There are no company directorships or other significant interests that AHDB considers may conflict with management responsibilities. Transactions with the AHDB Leadership team can be found in the remuneration and staff report.

23. Events after the reporting date

A business case proposal to make a grant to GB Potatoes Organisation Limited from remaining AHDB Potato sector reserves to undertake project work with industry-wide benefit to the GB potato sector was approved by Defra in May 2024. Work continues in formally establishing the grant agreement in 2024/25.

Authorisation for issue

The Accounting Officer authorised these statements for issue on the date of the C&AG's audit certificate.

Annex – Unaudited information

Levy rates in operation during 2023/24

Sector	Standard levy rate 2023/24	Standard levy rate 2024/25
Pigs (England)	£ per head	£ per head
Producer	0.85	1.02
Slaughterer/exporter of live pigs	0.20	0.24
Beef and Lamb (England)	£ per head	£ per head
Cattle (excluding calves)		
Producer	4.05	5.06
Slaughterer/exporter of live cattle	1.35	1.69
Calves		
Producer	0.08	0.10
Slaughterer/exporter of live calves	0.08	0.10
Sheep		
Producer	0.60	0.75
Slaughterer/exporter of live sheep	0.20	0.25
Milk (GB)	Pence per litre	Pence per litre
Buyers and direct sellers of milk	0.060	0.08
Cereals and oilseeds (UK)	Pence per tonne	Pence per tonne
Cereal grower	46.00	58.00
Cereal buyer	3.80	4.80
Cereal processor (human and industrial)	9.50	12.00
Cereal processor (feed)	4.60	5.80
Oilseeds	75.00	94.00

Notes:

1. Levy rates for 2024/25 have been included for information.

AHDB Sector Councils at 31 March 2024

AHDB Pork Sector Council

Mike Sheldon, Chair
Chris Aldersley, processor
Rupinder Ashworth, independent member¹
Timothy Bradshaw, producer, Yorkshire
Charlotte Duggleby, producer²
William de Klein, processor¹
Robin Thompson, producer, Northamptonshire¹
Mark Westgarth, producer²
Mike Wijnberg, processor²

1. Reappointed for second three-year term of office
2. Appointed for first three-year term of office

AHDB Dairy Sector Council

Lyndon Edwards, Chair
Colin Ferguson, dairy farmer, Scotland²
Elizabeth Haines, dairy farmer, Shropshire
Ian Harvey, dairy farmer, Cornwall
Peter Rees, dairy farmer, Carmarthenshire¹
Mike King, dairy farmer, South Gloucestershire
Patrick Morris-Eyton, dairy farmer, South Cumbria²
Rob Nancekivell, dairy farmer, Devon
Gemma Smale-Rowland, dairy farmer, Cornwall
Joseph Towers, dairy farmer, Lancashire

1. Second term of office extended until 31 October 2024
2. Appointed for first three-year term of office

AHDB Beef & Lamb Sector Council

Colin Bateman, Chair
Scott Donaldson, auctioneer²
George Fell, producer, Yorkshire
Bryan Griffiths, producer, Devon
Anne-Marie Hamilton, producer, Bedfordshire³
Ghulam Khan, processor
Isla Roebuck, processor²
James Shouler, producer, Oxfordshire¹
James Taylor, producer, Oxfordshire³
Stephen Thompson, processor¹
Paul Unwin, independent member³

1. Second term of office extended until 31 October 2024
2. Appointed for first three-year term of office
3. Reappointed for second three-year term of office

AHDB Cereals & Oilseeds Sector Council

Tom Clarke, grower, Cambridgeshire, Chair
David Bell, grower, East Fife²
Tony Bell, animal feed sector, Yorkshire
Alan Bowie, grower, Clackmannanshire¹
Polly Davies, grower, South Wales
Julius Deane, miller¹
Russ McKenzie, grower, Cambridgeshire
Sarah Nightingale, independent member
Richard Orr, grower, Northern Ireland¹
Cecilia Pryce, cereal buyer/merchant
James Standen, grower, Newcastle-upon-Tyne²
Patrick Stephenson, independent member²
David Walston, grower, Cambridgeshire²

1. Appointed for first three-year term of office
2. Reappointed for second three-year term of office

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