

ANNUAL REPORT 2018/19

aic

**Working in
support of modern,
sustainable, commercial
agriculture**

CHAIRMAN'S WELCOME



Andrew McShane

Chairman

AIC

IN THIS, MY FIRST ANNUAL REPORT AS CHAIRMAN, we look back on a year of uncertainty as the false dawn of Brexit hung over the nation. While government and parliament dithered, I believe AIC Members should recognise the strong support the team at Peterborough delivered in sharing and interpreting information as it became available and wherever possible engaging with the relevant officials.

Through our own efforts and those we shared with other members of the Agri-Brexit Coalition, I believe the agrisupply industry has gained considerable recognition in both national and devolved governments. In addition, the increasing profile of AIC led to a number of Members being invited to participate in government committees and working groups looking to Brexit and beyond.

We intend to build on the higher level of cooperation between nine agrisupply trade associations beyond Brexit to keep relevant common issues on the political agenda.

However, Brexit has not been the only challenge of the year. Two key pieces of legislation have been taking shape – the Agriculture Bill and the Environment Bill. While progress has been slow,

AIC has been involved in planning on issues that will shape the industry for a generation. Sustainability, productivity and the new approach of 'public money for public goods' are all being drafted with AIC input.

As I write these words, the threat of 'no deal' Brexit remains. Whatever the outcome, I have no doubt that AIC will fight the corner of every sector and every Member – large or small. Your Confederation remains committed to a modern, sustainable and commercial agriculture.

AIC's staff are the essential ingredient of all we do. I take this opportunity to thank them all, particularly our Chief Executive Robert Sheasby who took on the role in May 2018 and is raising the profile of AIC further across a wider network of contacts. I also thank his predecessor David Caffall for all he did to establish AIC. The Board and I wish David a long and happy retirement.

The year has seen a considerable change in Board membership (see page 15). I thank them all, past and present for their tireless support and encouragement.

Sustainability, productivity and the new approach of 'public money for public goods' are all being drafted with AIC input.

CHIEF EXECUTIVE'S INTRODUCTION



Robert Sheasby
Chief Executive
AIC

Our ability to ensure politicians understand the agrisupply industry and its role in delivering advice and new technologies is critical.

WHILE HARDLY A DAY in the past year has gone by without some issue related to Brexit, AIC has engaged in a wide range of other activities.

While the UK remains an EU member, we have continued to engage with the Commission on a wide range of issues from fertiliser regulation to feed ingredients, from defending plant protection product authorisations to seed treatment legislation.

A particular feature of the past year has been an increased focus on engaging with Members, often by visiting them in their businesses. Our aim is twofold: to ensure Members get the most value for their teams and organisations from their membership; also to gain feedback on what we are getting right and where there is scope to improve our service. If you would like us to visit you, please get in touch.

In the year ahead, we will also be revitalising our regional meetings where we come out to brief Members on what AIC is doing, to provide an opportunity for Members to meet a number of our team and also to network with each other. Watch out for invitations.

However, we are also striving to raise awareness with politicians across the UK and devolved governments. I really appreciate the support that we have received from Members helping us to connect with relevant MPs, MSPs, and AMs.

Our ability to ensure politicians understand the agrisupply industry and its role in delivering advice and new technologies is critical. As the UK prepares to introduce a new Agriculture Bill focused on productivity and environmental management, we can play a vital role in serving UK agriculture.

AIC Services continues to play a vital role in delivering safe, traceable feed and food as well as ensuring fertiliser security. Many of our schemes have now gained 'earned recognition', which reduces official inspections and reduces costs for participants.

The breadth of AIC's activities across its five sectors is exceptional, at any one time we will be addressing nearly 100 issues. It is by Members working hand in hand with AIC staff that we gain the practical insight to the challenges Members' businesses face. Member involvement in various committees keeps us focussed on key issues that need to be tackled. Without that Member engagement we would be nowhere near as strong to act on your behalf. I thank you all most sincerely.

I am coming to believe that the new certainty is a complete lack of certainty. We all must adapt our thinking to shorter time horizons featuring more change.

One thing is certain, the importance of ensuring politicians and policy makers understand our needs has never been greater.

ANIMAL FEED



Angela Booth
Chairman
Feed Sector



THE FEED SECTOR HAS ENGAGED WITH MANY ISSUES BUT HAS HAD TO FOCUS, like other sectors, with the task of providing clarity to Members over potential Brexit outcomes and implications for their businesses.

AIC has provided detailed information to Members on import and export regulations, WTO tariffs, the requirement to appoint representatives, organic certification of exported organic feeds and Food Standards Agency risk management and risk assessment plans. As the year wore on, much of the information supplied related to implications for the feed industry of a no-deal Brexit. Close contact with UK Government agencies was vital to give Members guidance on the issues they needed to consider.

The sustainability agenda has, as expected, moved up a gear with the first full year of activity of the UK Roundtable on Sustainable Soya. AIC has been closely involved with this initiative from the start and now has a seat on the Steering Group to ensure that the feed industry's views are represented at the highest level. Several large UK retailers announced sustainable soya policies during the year and, significantly,

the FEFAC soy sourcing guidelines have been highlighted as a very useful tool to help supply chain partners plan their sustainable soya journey. AIC also published its own position on sustainable soya in order to help Members explain the feed industry's position to supply chain partners.

During the year AIC Services also announced plans to offer a voluntary palm oil credit purchase scheme to members. AIC Services has had its membership of RSP0 confirmed and it is expected that the scheme will be launched during 2019.

New regulations on medicated feeds and veterinary medicines were finalised though these do not come into force until January 2022.

The end of the year saw the completion of the first UK 5-year action plan on anti-microbial resistance with the headline figure of a 40% reduction in antibiotic use achieved by UK livestock farming since the strategy was published. This has been regarded by all as a considerable achievement. AIC, through its membership of RUMA, will continue to support future objectives which include maintaining responsible use and continuing to improve underlying health, farm infrastructure, nutrition, genetics and preventative measures. Discussions in Brussels on amending feed additive legislation to enable new functional groups of additives to be marketed, following assessment, have made progress.

The feed sector is pleased to report that after four years of data collection and collaboration across the food and feed industries and European authorities, the Food, Drink and Milk REF documents, with a new section on animal feeds, are agreeable to the industry. These include the legally binding Best Available Techniques for environmental compliance which members will be expected to comply with. Thanks to the way in which the process was run, with all parties working together, the new BAT are stretching but achievable.

Close contact with Government agencies has been vital to guide Members on issues they needed to consider.





Paul Featherstone
Chairman
UKFFPA

We do not compete with food banks, but we do save the equivalent of 755,000 tonnes of wheat.

THE YEAR SAW AN INCREASED FOCUS

on communications as UKFFPA sought to raise the profile of the work it does.

The aim was twofold. First to increase awareness of the potential of processed former foodstuff to the feed sector. Second, to raise awareness of the valuable role of this sector in avoiding foodstuffs that can be processed into valuable feed being discarded as waste and sent to landfill or anaerobic digestion. This is not only good for the livestock feed sector, but also appeals to the increased emphasis for sustainability sought by food manufacturers and retailers.

Former foods to animal feed – the facts

Every year UK Former Foodstuffs Processors Association members process 650,000 tonnes of food products, compliant with feed legislation, into animal feed

UKFFPA observes industry standards to ensure food is used for human consumption wherever possible

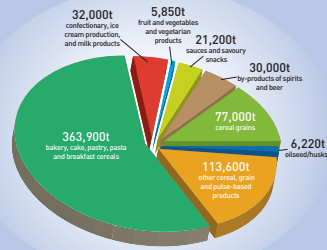
- 1 Prevent waste of raw materials during manufacture
- 2 Redistribute to people
- 3 Process for animal feed
- 4 Recycle
- 5 Recover
- 6 Dispose

(Based on WRAP food and drink material hierarchy)



650,000t

of former foodstuffs processed in the UK every year



Equates to **755,000t** of wheat



Which could bake **1.4b loaves**



2.5x

That much wheat needs **92,000ha** equivalent to just under two and a half times the Isle of Wight

Former foodstuffs processing saves feed wheat, land and energy. It prevents waste and helps to make the food supply chain more sustainable.

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To stress the value of the work carried out by UKFFPA Members, an infographic was developed and widely distributed. This spells out where UKFFPA businesses sit within the 'circular economy'. We do not compete with food banks, but we do save the equivalent of 755,000 tonnes of wheat. Thus freeing up UK farmland for food production.

In addition, a number of interviews were held with key publications in the food chain to get across this valuable role.

FEED ADVISER REGISTER



Inge Verwoerd
Technical Support
Manager for Feed
Sector/FAR

THE FEED ADVISER REGISTER went from strength to strength in the year. December saw the launch of **Module 4** with an increased focus on reducing emissions from livestock through both feed management and overall nutrient planning across the farm.

As FAR has become established, so has its recognition for setting professional standards for the feed sector, just as other schemes have set standards in agronomy. The year also saw an initiative to brief a wider range of stakeholders on the role and increasing importance of FAR to the industry.

A presentation on what the Register is, how it works and what it has already achieved was developed.

This was shared in one-to-one discussions with a range of stakeholders including Defra, British Retail Consortium, Agriculture and Horticulture Development Board, the farming unions, Food Standards Scotland, Linking the Environment and Farming (LEAF), National Pig Association, Quality Meat Scotland and the Soil Association.

Planning also began on a move from training by modules to developing an on-going Continuing Professional Development approach to ensuring those on the Register maintain and update their knowledge and skill. This will be rolled out in the year ahead.



CROP MARKETING



Mark Worrell
Chairman,
Arable Marketing
Committee



AS IN THE PREVIOUS YEAR, 2018 was dominated by Brexit. Industry is in a state of flux, with the rules of engagement and market access uncertain. The impact of a 'no-deal' Brexit is likely to change market focus as we engage in a global market. Subject to UK production, the market will still function, but that will be subject to several factors. Tariffs will be dependent on any trade agreements that may be struck, the timing of which remains unclear.

Increasing erucic acid levels in oilseed rape remain a concern. UK research now indicates volunteer oilseed rape plants from before the current varieties' low erucic levels are the source of the problem. However, managing this is not straightforward so vigilance is needed. A reduction in the maximum amount of erucic acid in oil from the current 5% to 2%, has been agreed in principle in Brussels, but is not yet in legislation. The reliability of the quick test is an issue, as whilst above 5% is accurate, measuring around 2-5% content is not.

Regulatory pressure around contaminants increases on industry, with legal limits on mycotoxins on the horizon. The fact that reliable rapid tests for ergot alkaloids are not available is just one point being highlighted to the Commission. AIC continues to work with other industry bodies in the supply chain to gather data and make the case for reasonable limits and practical controls. A reduced EU limit for ergot sclerotia in grain is expected, but still at levels far in excess of those accepted in the AIC No. 1 grain contract. Lobbying is amplified through work with our partner trade body COCERAL. The issue of contaminants, as well as many others, mean that the rest of 2019 will be challenging for all involved. Thus continued information flow and close relationships are important.

In Spring 2018, the online interactive, 'i-learning'

Developing Professional Standards in On-Farm Grain Trading was launched for AIC Members. By the end of the year covered by this report, 77 farm traders had successfully completed it and hold certificates that demonstrate their proficiency. This initiative of the Arable Marketing Committee is a significant step forward in enabling the industry to demonstrate to customers, and policy makers, the breadth of competency and market knowledge which grain traders offer.

Interest in data across many industries continues to increase, and AIC is engaged with early conversations about re-examining the 'electronic grain passport'. The Arable Marketing Committee continue to believe this would deliver efficiencies in the supply chain.

With the Agriculture Bill currently in Parliamentary limbo there is little to report. However, policy direction is clearly to prioritise environmental enhancement. This will have some kind of impact on arable production and measurement of increased productivity is also included in the current draft Bill.



CROP PROTECTION AND AGRONOMY



Chris Clayton
Chairman
Crop Protection
and Agronomy
Sector



2018 HAS BEEN AN EVENTFUL YEAR for the CP&A sector – some of this happening under my chairmanship which commenced in October 2018 after I took over the role from Andrew McShane.

Sector members include a range of highly skilled and trained individuals from store keepers and agronomists to administrators and delivery drivers, all help to ensure that both supplier and client businesses run smoothly. In February 2018, a survey of Plant Protection Product (PPP) delivery drivers captured the breadth of training undertaken by the 'unsung heroes', who ensure that PPPs are delivered on time and safely to farmers and growers. The results show that nearly 60% of drivers have 10 or more years' experience and an impressive list of qualifications including Certificates of Professional Competence, fork lift truck training and training in the carriage of dangerous goods.

The Voluntary Initiative (VI) on Pesticides, which developed Integrated Pest Management (IPM) plans, is reviewing IPM recording so that the extent of IPM uptake can be demonstrated. A survey of sector Members in autumn 2018, highlighted the extent of training undertaken by member agronomists to maintain their BASIS Professional Register membership and IPM advice given on, including water protection, soil management, PPP resistance management and pollinator protection.

The process around PPP approval and renewal of approval was scrutinised by a European Parliament Special Committee for Pesticides (PEST) formed in February 2018. The Committee of 30 MEPs addressed concerns from some European citizens about the independence and transparency of PPP authorisation. AIC Sector Head, Hazel Doonan, met two UK MEP Committee members, Anthea McIntyre and Daniel Dalton to share AIC's views on the process. Whilst both MEPs recognised AIC's points, the final PEST report failed to reflect all of the opinions. Ms

McIntyre produced an alternative report suggesting different recommendations, as she concluded that the Committee had reached the wrong conclusions and disregarded key evidence.

Shailesh Vara, MP for North West Cambridgeshire, was briefed by Hazel in December on the vital role of AIC agronomists in UK food production.

Throughout 2018, Brexit issues were stepped up in anticipation of an EU Exit in March 2019. AIC continues to share Members' views with policy makers on how PPP authorisation could be improved post Brexit. The sector endorses maintaining standards that protect human health and the environment, however AIC is lobbying for more efficient processes and decisions based on science, not emotion. We cannot have a regulatory process, within or outside the EU, driven by misinformation on social media.

Throughout the year we have gathered data on the consequences of losing PPPs due for renewal of approval in 2018, notably diquat, thiram, pymetrozine and propiconazole. It is frustrating that renewal of some active substances fails due to regulatory timelines for data submission, which gives applicants insufficient time to undertake necessary studies. It is also a concern that the current process only considers active substances in isolation rather than a holistic view of the consequences of withdrawal. With the rate of withdrawals increasing and the loss of some mainstay products, agronomists face considerable challenges. This is not about having less products to sell, it's about agronomists not having access to sufficiently diverse chemical modes of action to prevent resistance development and deliver quality standards demanded by some end market protocols.

The sector will continue to promote the need for sufficient access to all sustainable methods of weed, pest and disease control, as well as continuing to ensure agronomist members have the most up-to-date knowledge to help their quest to minimise cost per tonne of production for farmers.

... AIC is lobbying for more efficient processes and decisions based on science, not emotion. We cannot have a regulatory process, within or outside the EU, driven by misinformation on social media.

FERTILISER



Peter Scott
Chairman
Fertiliser
Sector



DESPITE THE PRESSURES OF ADDRESSING BREXIT, the fertiliser sector made considerable progress on a number of fronts.

While progress was made on the EU Fertiliser Regulations, uncertainty remained on how the UK would implement these rules, especially against the on-going speculation on deal versus no deal Brexit.

Thanks to a 'can do' attitude across the industry and research communities a consistent, national guidance on crop nutrition has been created in the latest RB209.

There was a general consensus that not enough has been done to promote the positive aspects of the role of fertiliser across the foodchain. Therefore, some basic research has been undertaken to understand the public opinion of our industry – which is broadly positive and this will be developed into positive messaging in the year to come.

FACTS is a vital part of our industry. It was encouraging to see the new online annual assessment scheme launched, largely at the request of qualified advisers. Similarly, it was a very positive step forward to see FACTS engage with AIC's Feed Adviser Register opening opportunities to link crop and livestock nutrition on livestock and mixed farms.

Defra's draft Clean Air Strategy helped to focus the sector committees on how the industry will take its fair share of the overall effort needed to make progress on reducing ammonia emissions to air – a factor that affects both manure and slurry

handling (c 80%) as well as urea fertiliser (c 20%) applications. AIC Members' technical expertise was important in advising Government on how altering farming practices can mitigate emissions. However, gaining consensus on a common policy position for urea-based fertilisers has not been easy as this is the first time that policy has been specific to a type of fertiliser, thus potentially dividing Members' interests. That said, all Members agree in principle and can see the bigger picture ahead which involves both reducing emissions and the longer-term need to increase Nitrogen Use Efficiency. The latter will be guided by robust bodies of science linking cause and effect which will be delivered by the latest FACTS qualified advice.

Progress made on nitrate in water linked to agriculture has been encouraging, following this year's Parliamentary Inquiry which gave AIC the opportunity to present evidence. There is every likelihood that similar inroads can be made on ammonia but the timeframe is extremely tight given a 2030 deadline for meeting reduction targets. Looking ahead, there are challenges placed on parts of the market for fertiliser materials using coating materials, etc. to comply with future biodegradability criteria. Given sufficient time to research alternatives, the industry is fairly confident of being able to adapt.

... it was a very positive step forward to see FACTS engage with AIC's Feed Adviser Register.

FACTS



Chris Guest
Chairman
Seed Sector



AGRICULTURAL PRODUCTION IS HEADING INTO UNCHARTERED WATERS. As use of clothianidin seed treatment ends in 2019 and thiram seed treatment in beans in 2020 it is deeply regrettable that we have lost more products over the past year. It takes years and huge investments from breeders and chemical companies alike to bring products to market. We must champion these products, alongside good stewardship together with correct and positive messaging. This year the Seeds Committee and AIC successfully got the latest stewardship advice into NR050 training, in order to spread the message and have practical impact on UK farms.

ESTA is the standard of the European Seed Association (ESA) on quality assurance for seed treatment and treated seed. It is there as a standard to support the industry, providing quality assurance that seed treatment and the resulting treated seed meet requirements defined by legislators and industry. Engagement with ESTA demonstrates self-regulation and shows that, as an industry, we are able to carry out best practice rather than requiring further legislation.

Whilst the proposed change in the legal limit for erucic acid in vegetable oil has yet to be finalised, AIC has worked to enable the certified seed industry to defend itself against any criticism on the erucic acid content of seed. In April 2018 a voluntary code of practice for testing for erucic acid in certified seed using Gas Chromatography (GC), referenced in the AHDB advice, was formulated by the AIC Combinable Crops Seeds Committee and working group. This code is supported by the British Society of Plant Breeders. By having a relevant GC test result for processed material, companies can defend themselves against criticism of purchased seed around elevated erucic levels at harvest.

The dry summer of 2018 led to issues with winter bean germination, so AIC worked with Defra to get derogations, with similar action needed for spring beans and oats. It is important that these are stewarded correctly – we must think of the long-term health and reputation of the certified seed industry.

The European Court of Justice decision to classify many New Plant Breeding Techniques as GM is detrimental to UK growers. It could stifle yield and agronomic benefits that are achievable through modern plant breeding. AIC has regularly raised this with government and will continue to do so, as Ministers have raised it as an area for early divergence from the EU post Brexit.

On Brexit, unless a deal is made and the EU grant the UK equivalence, in the short term the UK will not be able to export certified seed to the EU. Defra has made an application to the EU for recognition of the UK as equivalent to the EU. However, the Commission will not consider this before the ongoing withdrawal negotiations are complete.

Under a 'no-deal' Brexit, the UK will need third country equivalence to market certified seed in the EU. Seed would have to be OECD certified and have an ISTA Orange International Certificate (OIC). An OIC can only be issued by an ISTA accredited laboratory, with the sample taken by a sampler under the laboratory's control. In January 2019, AIC successfully lobbied government to provide free ISTA seed sampling training which many companies have benefitted from.

Seed treatments must be stewarded correctly – we must think of the long-term health and reputation of the certified seed industry.





Paul Rooke
Head of Policy –
External Affairs



Jane Salter
Head of Policy –
Environment



Left to right: Duncan Russell (NAAC); Katie Docherty (IMTA), Ruth Bailey (AEA) Jeremy Moody (CAAV), Robert Goodwill MP, Jaine Chisholm Caunt (GAFTA), Robert Sheasby (AIC), Sarah Mukherjee (CPA), Dawn Howard (NOAH), Penny Maplestone (BSPB).

LOOKING BACK OVER THE WORDS WRITTEN

12 MONTHS AGO it seems that what we were doing then, we are still doing; and what we were expecting to do, we are still expecting to do.

With Brexit not allowing anything else much of a look in, the expected progress on domestic legislation, via the Agriculture Bill, made some progress but stalled as the year came to an end – and the temperature in Westminster heated up. Whilst progress is being made on the submission for test and trial of projects for Environmental Land Management Schemes (ELMS), the year ended with much of the Defra resource re-routed to 'no-deal' and Day 1 planning.

AIC has continued to engage with a wide range of stakeholders and Government Departments throughout the year, including, via the Brexit Arable Group, a seat on Defra's Agri-Food Chain Business Group – now designated one of the Government's key Expert Trade Advisory Groups. This Group will have a role going forward to provide advice to Government as part of the structure the UK will, as an independent state, need to put into place.

AIC has also engaged with nine other trade associations through the Agri-Brexit Coalition to

highlight key and particular issues for the agrisupply industry broadly. The Coalition has attracted the regular involvement of Defra officials and Robert Goodwill, minister for farming at the time.

During the second half of the year the UK published its WTO tariff schedule and the split of existing EU28 tariff rate quotas. Both the EU27 and the UK continue negotiations with third countries over the ratification of these schedules at WTO level, something which still has some way to go before conclusion.

UK tariff policy will continue to be an issue of debate throughout 2019 as UK Government moves beyond its initial setting of rates to consult on what they would expect a longer-term policy to look like. It is entirely possible however that this longer-term policy will still have, as its main focus, the impact on UK consumer prices.

A priority for AIC in 2019 is the development of views on the next phase of Brexit – our longer-term trading relationship with the EU. To what extent we follow, or diverge, from EU rules, standards, requirements etc. will need to be carefully worked through ahead of the next UK:EU27 negotiating round.

Agri-supply

supporting Britain's largest sector
Food and Farming

agri-brexite COALITION

Nine leading trade associations involved in supplying advice, goods and services to UK farmers – the foundation of the UK food industry

9 Associations
3,000+ Members
60,000+ Direct Employees

Delivering **£14bn** worth of goods and services at the farmgate

5,000+ trained advisers tailoring knowledge to enhance farm performance and environmental benefit for crops, livestock and the countryside

A vital link in the £112bn UK food chain

Coalition members supply UK farmers with:

Advice, agricultural contracting, animal feed, assurance schemes, business support, crop nutrition, crop protection products, machinery and equipment, UK and export marketing services, seeds and varieties, veterinary products



agri-brexite COALITION

From an environmental perspective, output from Defra has been unprecedented, during Michael Gove's direction as Secretary of State. Keen to achieve consensus on a strategy for the environment fit for the next 25 years, the Government published its first cross party agreed 25 Year Environment Plan.

This was welcomed by AIC, insofar as it presented no surprises, and built on the long-term timeframes embedded in many pieces of existing regulation as well as reinforcing the need for longer-term outlooks in business planning for sustainability in its widest sense. Mentioned in the plan are the new Farming Rules for Water, which AIC helped to distil and the Clean Air Strategy, which was revised to take account of some industry concerns over the details and timescales for meeting requirements to reduce ammonia emissions from urea fertilisers. The need for soil health was also highlighted as an imperative - one which the supply industry values equally as essential to both production and environmental goals. This has led to numerous soil initiatives including the latest industry-wide collaboration - the Soil Health Initiative, chaired by AIC.

A considerable amount of AIC resource and expertise was allocated to the Environment Audit

Committee's Inquiry into Nitrate in Water. Our written and oral evidence were published and heard respectively, revealing that in the past 30 years the 'bottom up' plus top down regulatory approach on nitrates has had a significant and positive effect. The evidence we presented clearly shows that given time, changes in farming practice, based on robust science, make a difference. This is encouraging as the next hot issue is ammonia and the need to adopt the Code of Good Agricultural Practice (COGAP) for reducing Ammonia Emissions - a collaboratively written document involving AIC and others.

As the year drew to a close, AIC began reviewing numerous UK consultations on future plans for waste plastic recovery and planning for any interventions or new requirements alongside the EU regulatory proposals for both plastics and microplastics. Finally, but not least the policy team reviewed the first of two parts of the draft Environment (Principles and Governance) Bill, which will hold Government to account upon leaving the EU for meeting its obligations for environmental protection. In our opinion the draft is on the right lines.

Given time, changes in farming practice, based on robust science, make a difference.

UK SOIL HEALTH initiative

AIC SERVICES



John Kelley
Managing Director
AIC Services and
Chief Operating
Officer AIC



AIC Services began consultations with industry from September regarding increasing the 'unannounced audit programme' for feed schemes.

THE FEED TRADE ASSURANCE SCHEMES goes from strength to strength with the 'Earned Recognition' agreements in place with UK governments and Veterinary Medicines Directorate. AIC Services provides a lot of data from our schemes to ensure this continues which results in a lower enforcement regime for feed businesses from local authorities. This saves valuable resource for both the feed industry and the Government enforcement authorities.

Numbers within the feed schemes continued to grow, which was predominately due to AIC Services absorbing GTAS participants, since GAFTA relinquished its responsibility for the scheme. Over 400 participants have been transferred, which was a major achievement for KIWA the certification body as well as AIC Services' Technical Managers. This now provides an easier framework to follow and ensures uniform standards throughout the industry.



AIC Services, in conjunction with the feed sector, has continued discussions with the Food Standards Agencies, other agencies and Government Departments to ensure that our schemes remain part of the assurance framework for industry and Government once the UK exits the EU. The schemes provide a reliable due diligence defence for businesses and have led to lower feed incidents thus ensuring a reliable and safe UK feed sector. We continue to promulgate this message within stakeholder meetings.

The year was marked by updates to two AIC Services' Schemes. New, updated codes were implemented for the Trade Assurance Scheme for Combinable Crops (TASCC) in February 2018. Towards the end of the year a completely rewritten Feed Materials Assurance Schemes (FEMAS) standard was finalised. The updates take into account the latest legislation and industry best practice to ensure that the UK feed sector remains 'fit for purpose'.

AIC Services began consultations with industry from September regarding increasing the 'unannounced audit programme' for feed schemes. This is in response to changes in the assurance requirements both within industry and our stakeholder groups. Proposals are currently being developed and consultation will continue to ensure the most effective level of visits is achieved. This initiative will enhance the robustness of the feed schemes and feed safety.



The **Fertiliser Industry Assurance Scheme (FIAS)** continues to have a high profile with its stakeholder group, which includes Defra, Home Office, National Office for Counter Terrorism, Health & Safety Executive and the National Farmers Union. A new i-learning platform for FIAS transport managers and hauliers was launched in October 2018, providing an effective means to update skills in a way that suits the industry's working patterns.





AIC uses print and online communications to ensure Members and several hundred key stakeholders are kept up-to-date on what AIC is doing and key achievements



Module 4, the new module for the **Feed Adviser Register (FAR)** was launched in two sections during 2018. This module focused on the health of livestock on-farm and aimed to increase the core competencies of feed advisers within these areas. Additional training was also supported by FAR, through the Northern Ireland Grain Trade (NIGTA) to meet some specific requirements that Northern Ireland's feed advisers have to take into account.



AIC Services also put in a bid for the Chairmanship and Secretariat for the **Forage Analysis Assurance Group (FAAG)**. This contract was won by AIC Services in July 2018 and the organisation now looks forward to coordinating the group's activities, including operating the annual proficiency testing scheme which controls the quality and consistency of FAAG members' forage analyses. The addition of FAAG to AIC Services is complementary to both the feed schemes and feed advisers, so we look forward to building closer relationships in these areas and making FAAG more visible to livestock farmers.



Agribusiness 2019 was chaired by Charlotte Smith; BBC Rural Affairs

Correspondent, with keynote speakers Minette Batters; NFU President, Sir Peter Kendall; Chairman of AHDB, as well as two Chief Executives of the AgriTech Centres for livestock and crop protection. Defra also outlined its Brexit plans and forthcoming Agricultural Bill. With over 200 delegates, including Members and stakeholder groups, Agribusiness 2019 provided a key networking event.





Stephen Kenyon

Chairman
AIC Scotland

THE YEAR HAS BEEN CHALLENGING. The weather presented problems to the supply industry and customers alike.

Looking back over recent seasons, it appears climatic variation will become the new norm. While politically, the pressures as Brexit appeared to loom caused considerable concern. For Scotland, a key issue is how agricultural support will operate in the future. AIC has and will continue to work constructively with government and other key stakeholders to devise a way forward that provides both a sustainable and profitable future for the whole farming and foodchain.

A new Policy Manager for Scotland, Ian Muirhead has been recruited following Kevin Mills retirement.

Extra resources have been committed to the post with the aim of enhancing our communication and influence at Government level. We have achieved success in this objective, developing a good rapport within the Agriculture Policy Division and will start the next year with a meeting with Cabinet Secretary Fergus Ewing.

The year also saw the foundations laid for AIC to encourage Member companies to engage with their local politicians at national, UK and European levels. Inviting parliamentarians to see our businesses first hand will help build an understanding of the importance of the agrisupply industry in terms of employment, economic benefit and rural support.

... politically, the pressures as Brexit appeared to loom caused considerable concern.

NORTHERN IRELAND



Declan Billington

AIC Board Member
Northern Ireland

THE BREXIT TORTURE CONTINUES IN NORTHERN IRELAND –surely 2019 will see an end to the uncertainty and confusion which is damaging, not just the economy, but the fabric of society in the province.

Our association having lobbied politicians and public opinion to oppose the exit from the European Union–then lobbied for the Theresa May withdrawal agreement–and more recently we have lobbied against leaving the EU without a deal.

The significant damage that will arise from the reinstatement of an economic border on this small island is unthinkable. We can only hope that something workable can be salvaged from the situation in which we find ourselves.

The more positive news from this part of the world is the rapid growth in our agri-food sector. This has been achieved through investment and efficiency at every link in the food chain. However, sustainability is the new mantra and further industry development will only be possible in the context of managed reductions in emissions from farm animals.

The FAR training program has been an invaluable tool in this regard. With the addition of a Northern Ireland module and the support of CAFRE (the agricultural colleges) it is recognised as making a major contribution to the environmental challenge.

Organisational structure

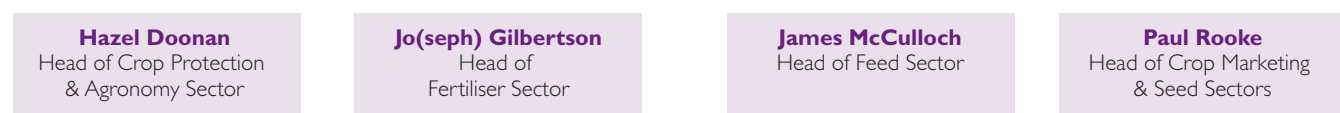
AIC Board

1 February 2018 to 31 January 2019



Robert Sheasby
Chief Executive
(appointed 21 May 2018)

Sectors



Member Support



AIC Services



Policy Unit



AIC Scotland

Ian Muirhead
Scotland Policy Manager (P/T)
(appointed 1 November 2018)

Financial Statements

AGRICULTURAL INDUSTRIES CONFEDERATION LIMITED REPORT AND FINANCIAL STATEMENTS

For the year ended 31 January 2019

Company Registration Number: 0316783 (England and Wales)

DIRECTORS' REPORT

The directors present their annual report and financial statements for the year ended 31 January 2019 for the group, being Agricultural Industries Confederation Limited and its subsidiary, Agricultural Industries Confederation Services Limited.

PRINCIPAL ACTIVITIES

The organisation is the principal trade association representing members in the agricultural supply industry.

The principal activity of the subsidiary, Agricultural Industries Confederation Services Limited, is managing trade assurance schemes within the agricultural supply industry.

DIRECTORS

The directors who held office during the year and up to the date of signature of the financial statements are shown on page 15.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The company has made qualifying third party indemnity provisions for the benefit of its directors during the year. These provisions remain in force at the reporting date.

AUDITOR

The auditor, RSM UK Audit LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

By order of the Board
R Sheasby,
Secretary
10 July 2019

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

Financial Statements

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGRICULTURAL INDUSTRIES CONFEDERATION LIMITED

OPINION

We have audited the financial statements of Agricultural Industries Confederation Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 January 2019 which comprise the Consolidated Statement of Income and Retained Earnings, the Consolidated and Company Statements of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 January 2019 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

CONCLUSIONS RELATING TO GOING CONCERN

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

OTHER INFORMATION

The other information comprises the information included in the directors' report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

Financial Statements

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF AGRICULTURAL INDUSTRIES CONFEDERATION LIMITED (CONTINUED)

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

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

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

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 16, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

USE OF OUR REPORT

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

Claire Sutherland (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Abbotsgate House
Hollow Road
Bury St Edmunds
Suffolk, IP32 7FA

Financial Statements

Company Registration Number: 0316783

CONSOLIDATED STATEMENT OF INCOME AND MEMBERS' FUNDS

For the year ended 31 January 2019

		2019 Group	2019 Company	2018 Group	2018 Company
	Notes	£	£	£	£
Turnover		2,864,934	2,094,999	2,704,006	2,066,366
Cost of sales		(173,754)	(60,501)	(130,279)	(62,787)
Gross surplus		2,691,180	2,034,498	2,573,727	2,003,579
Administrative expenses		(2,511,914)	(2,007,905)	(2,463,041)	(1,931,805)
Operating surplus/(deficit)		179,266	26,593	110,686	71,774
Income from other fixed asset investments		20,802	17,448	23,023	19,366
Other interest receivable and similar		8,841	5,297	6,409	3,887
Other gains and losses		(51,785)	(51,785)	35,064	35,064
Surplus/(deficit) before taxation		157,124	(2,447)	175,182	130,091
Taxation	3	(33,053)	(3,243)	(24,270)	(16,270)
Surplus/(deficit) for the financial year		124,071	(5,690)	150,912	113,821
Members' funds brought forward		1,672,293	1,272,588	1,521,381	1,158,768
Members' funds carried forward		1,796,364	1,266,898	1,672,293	1,272,588

Financial Statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

At 31 January 2019

Company Registration Number: 0316783

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	4		21,751		18,451
Investments	5		644,726		696,511
			<u>666,477</u>		<u>714,962</u>
Current assets					
Debtors	7	251,066		243,035	
Investments	8	800,000		700,000	
Cash at bank and in hand		875,983		713,738	
		<u>1,927,049</u>		<u>1,656,773</u>	
Creditors: amounts falling due within one year	9	(794,077)		(692,626)	
Net current assets			<u>1,132,972</u>		<u>964,147</u>
Total assets less current liabilities			<u>1,799,449</u>		<u>1,679,109</u>
Provisions for liabilities			(3,085)		(6,816)
Net assets			<u><u>1,796,364</u></u>		<u><u>1,672,293</u></u>
Capital and reserves					
Members' funds			<u><u>1,796,364</u></u>		<u><u>1,672,293</u></u>

These financial statements have been prepared in accordance with the provisions applicable to groups and companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 10 July 2019 and are signed on its behalf by:

A McShane (Chairman)
Director

R Munro (Treasurer)
Director

Financial Statements

COMPANY STATEMENT OF FINANCIAL POSITION

At 31 January 2019

Company Registration Number: 0316783

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	4		21,751		18,451
Investments	5		644,826		696,611
			<u>666,577</u>		<u>715,062</u>
Current assets					
Debtors	7	118,101		98,553	
Investments	8	400,000		400,000	
Cash at bank and in hand		480,520		432,391	
		<u>998,621</u>		<u>930,944</u>	
Creditors: amounts falling due within one year	9	(395,215)		(366,602)	
Net current assets			<u>603,406</u>		<u>564,342</u>
Total assets less current liabilities			<u>1,269,983</u>		<u>1,279,404</u>
Provisions for liabilities			(3,085)		(6,816)
Net assets			<u><u>1,266,898</u></u>		<u><u>1,272,588</u></u>
Capital and reserves					
Members' funds			<u><u>1,266,898</u></u>		<u><u>1,272,588</u></u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 10 July 2019 and are signed on its behalf by:

A McShane (Chairman)
Director

R Munro (Treasurer)
Director

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2019

1 ACCOUNTING POLICIES

Company information

Agricultural Industries Confederation Limited ("the company") is a private company limited by guarantee and not having a share capital and is registered, domiciled and incorporated in England and Wales. The registered office is Confederation House, East of England Showground, Peterborough, Cambridgeshire, PE2 6XE.

The group consists of Agricultural Industries Confederation Limited and its subsidiary undertaking, Agricultural Industries Confederation Services Limited.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Basis of consolidation

The consolidated financial statements incorporate those of Agricultural Industries Confederation Limited and its subsidiary (i.e. an entity that the company controls through its power to govern the financial and operating policies so as to obtain economic benefits).

All intra-group transactions and balances are eliminated on consolidation.

Turnover

The turnover of the group and company is calculated by reference to the total income generated by all activities of the group and includes income derived from members' annual subscriptions and entrance fees. Subscription income is recognised on a straight line basis over the subscription period and income relating to future periods is disclosed as deferred income and included in other creditors.

The turnover of the group is calculated by reference to the total income generated by all the group's activities and includes income derived from trade assurance schemes and licence fees. Trade assurance scheme income is recognised on a straight line basis over the licence period and income relating to future periods is disclosed as deferred income and is included within other creditors.

Tangible fixed assets

Tangible fixed assets are stated at historical cost less depreciation.

Depreciation is provided at rates calculated to write each asset down to its estimated residual value evenly over its expected useful life on the following bases:

Leasehold improvements 3 years

Computer equipment 3 years

Fixtures and fittings 3 years

Residual value is calculated on prices prevailing at the reporting date after estimated costs of disposal for the asset as if it were at the age and in the condition expected at the end of its useful life.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Investments

Investments comprise both fixed and current asset investments.

Fixed asset investments other than those in group undertakings are classified as financial investments. Financial investments comprise listed fixed asset investments which are stated at market value, using quoted bid price. Realised and unrealised gains and losses are shown separately in the statement of income and members' funds.

Investments in group undertakings are initially recorded at transaction price and reviewed for impairment annually.

Current asset investments represent amounts on deposit with banks with maturity dates of more than 3 months post year end.

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2019

1 ACCOUNTING POLICIES (CONTINUED)

Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include trade and other debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

Basic financial liabilities

Basic financial liabilities, including trade and other creditors, are initially recognised at transaction price and are subsequently carried at amortised cost using the effective interest method.

Equity instruments

Equity instruments issued by the group are recorded at the fair value of the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense.

Current tax

Current tax is based on taxable profit for the year. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date.

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements.

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense.

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

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

Retirement benefits

The costs of providing defined contribution pensions for employees are charged in the income and expenditure account as incurred.

Leases

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

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2019

2 EMPLOYEES

The average monthly number of persons (including directors) employed during the year was:

	Group 2019	2018	Company 2019	2018
	Number	Number	Number	Number
Total	24	21	24	21

3 TAXATION

	2019	2018
	£	£
Current tax		
UK corporation tax on profits for the current period	36,784	23,155
Adjustments in respect of prior periods	-	(42)
Total current tax	36,784	23,113
Deferred tax		
Origination and reversal of timing differences	(3,731)	1,157
Total tax charge/(credit)	33,053	24,270

4 TANGIBLE FIXED ASSETS

Group and company	Leasehold improvements	Office equipment etc	Total
	£	£	£
Cost			
At 1 February 2018	-	160,364	160,364
Additions	2,943	17,106	20,049
Disposals	-	(412)	(412)
At 31 January 2019	2,943	177,058	180,001
Depreciation and impairment			
At 1 February 2018	-	141,913	141,913
Depreciation charged in the year	981	15,768	16,749
Eliminated in respect of disposals	-	(412)	(412)
At 31 January 2019	981	157,269	158,250
Carrying amount			
At 31 January 2019	1,962	19,789	21,751
At 31 January 2018	-	18,451	18,451

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2019

5 FIXED ASSET INVESTMENTS

	Group 2019	2018	Company 2019	2018
	£	£	£	£
Investments	644,726	696,511	644,826	696,611

MOVEMENTS IN FIXED ASSET INVESTMENTS

Group	Listed investments £
Cost or valuation	
At 1 February 2018	696,511
Valuation changes	(51,785)
At 31 January 2019	644,726
Carrying amount	
At 31 January 2019	644,726
At 31 January 2018	696,511

MOVEMENTS IN FIXED ASSET INVESTMENTS

Company	Shares in group undertakings	Listed investments	Total
	£	£	£
Cost or valuation:			
At 1 February 2018	100	696,511	696,611
Valuation changes	-	(51,785)	(51,785)
At 31 January 2019	100	644,726	644,826
Carrying amount			
At 31 January 2019	100	644,726	644,826
At 31 January 2018	100	696,511	696,611

6 SUBSIDIARIES

Details of the company's subsidiaries at 31 January 2019 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held	Direct	Indirect
Agricultural Industries Confederation Services Limited	Confederation House, East of England Showground, Peterborough, PE2 6XE	Management of trade assurance schemes	Ordinary	100.00		

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2019

7 DEBTORS

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Amounts falling due within one year:				
Trade debtors	108,381	97,361	36,226	12,505
Other debtors	142,685	145,674	81,875	86,048
	<u>251,066</u>	<u>243,035</u>	<u>118,101</u>	<u>98,553</u>

8 CURRENT ASSET INVESTMENTS

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Investments	<u>800,000</u>	<u>700,000</u>	<u>400,000</u>	<u>400,000</u>

9 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Trade creditors	204,410	207,273	180,260	176,740
Amounts due to group undertakings	-	-	38,026	16,459
Corporation tax payable	36,784	23,155	6,974	15,153
Other taxation and social security	43,907	46,714	42,080	46,714
Other creditors	508,976	415,484	127,875	111,536
	<u>794,077</u>	<u>692,626</u>	<u>395,215</u>	<u>366,602</u>

10 FINANCIAL INSTRUMENTS

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Carrying amount of financial assets				
Instruments measured at fair value through profit or loss	<u>644,726</u>	<u>696,511</u>	<u>644,726</u>	<u>696,511</u>

Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 January 2019

11 OPERATING LEASE COMMITMENTS

Lessee

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Within one year	42,682	42,682	42,682	42,682
Between one and five years	9,004	51,444	9,004	51,444
	<u>51,686</u>	<u>94,126</u>	<u>51,686</u>	<u>94,126</u>

12 RELATED PARTY TRANSACTIONS

The group's and company's sales were made in respect of membership fees and subscriptions. These were made at arm's length in line with membership fees and subscriptions to all members.



AGRICULTURAL INDUSTRIES CONFEDERATION

Confederation House, East of England Showground, Peterborough PE2 6XE

Telephone: 01733 385230 Fax: 01733 385270

E-mail: enquiries@agindustries.org.uk

www.agindustries.org.uk

Registered in England and Wales No 0316783

CONSULTANTS AND ADVISERS

AUDITORS

RSM UK Audit LLP

PRINCIPAL BANKER

HSBC Bank plc

GENERAL INSURANCE BROKERS

Towergate Insurance

SOLICITORS

Greenwoods Solicitors LLP