Agriculture and Horticulture Development Board

Annual report and accounts 2025/2026

HC 256

Agriculture and Horticulture Development Board

Annual report and accounts 2025-2026

For the period 1 April 2025 to 31 March 2026

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Any enquiries regarding this publication should be sent to us at AHDB, Corporate Affairs, Siskin Parkway East, Middlemarch Business Park, Coventry CV3 4PE.
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Contents

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).

Eighteenth 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 2026.

Auditor: Comptroller and Auditor General, National Audit Office
157–197 Buckingham Palace Road, London SW1W 9SP

Chair’s foreword

On becoming Chair of AHDB in June 2025, I joined an organisation with a renewed focus on delivering success for levy payers and UK agriculture. This is in no small way related to my predecessor Nicholas Saphir, so I would like to thank him for his five years expertly guiding AHDB through a significant period of restructure and change. Through his and the leadership team’s hard work, we are now poised to deliver our vision of giving levy payers the support and tools they need to navigate through a period of significant change for agriculture.

I thank Graham Wilkinson, who stepped down as our CEO in August 2025, for guiding AHDB through a period of fundamental change in both culture and values and setting up the organisation as the ‘key to unlocking success in British agriculture’. I also extend my gratitude to Janet Swadling for her steady hand as interim CEO, providing a smooth transition until Graham’s successor, Helen Herniman, started in January 2026. Helen has hit the ground running, developing our strategy into a business plan that will deliver for levy payers in each of our four sectors.

Since taking up the role, I have enjoyed meeting the passionate people who make up AHDB and seeing how their expertise and dedication is reflected in the outstanding work that they do. International trade development is one of the cornerstones of AHDB's activity and the record success of UK red meat and dairy exports in 2025 illustrates just how important opening and developing new markets is for our levy payers. Central to this is connecting with people in the industry through our presence at international shows and with trade missions at home and abroad. We remain committed to playing our part in supporting red meat and dairy export businesses to help deliver further success.

Our marketing campaigns continue to promote the reputation of British produce and deliver real returns at the farmgate for levy payers. Our Let’s Eat Balanced campaign adverts telling people of the nutritional value of British red meat and dairy reach over 40 million adults every year, while ‘This is British pork. But not as you know it’ saw purchase intent climb to its highest level on record and a 2.7% increase of pork retail volumes in 2025. Reaching the consumers of tomorrow is a vital area of our work. The Milk Every Moment campaign reached nearly nine million people, earning it two accolades at the prestigious British Dairying Cream Awards. The Make it Lamb Week, in collaboration with the other three UK red meat levy boards, saw us mark its 10th anniversary with a social media campaign highlighting the dedication and value of the UK’s sheep farmers.

Our ever-evolving work in the Cereals & Oilseeds sector provides our levy payers with the valuable, practical insight they need to succeed – from our research and development projects on fungicides and fertilisers to trusted resources such as Recommended Lists and RB209. And we continue to engage with farmers and growers out in the field, meeting more than 4,000 at our events over the year.

AHDB has an important role in offering independent insight and analysis that highlight the risks and opportunities from changes in international trade agreements at a time of exceptional geopolitical uncertainty.

Our data insight and analysis provide a vital service in understanding developments both at home and abroad. The work by our market intelligence team, from the latest domestic market and consumer prices and trends to exploring the global opportunities for British agri-food abroad, gave trusted, independent evidence vital for levy payers and industry alike. Analysis of agri-environment schemes and unpicking the Budget allowed farmers to assess their implications for themselves. It is important we continue to drive value for levy payers from the information we create so they are able to make the right decisions for their business. Our online hub for dairy farmers as milk prices fell is an example of how we can make sure levy payers get the support they need and I am keen to get more people engaging in our tools and services.

My professional focus has always been on strengthening the resilience, sustainability and prosperity of the UK’s food and farming sectors. Working with stakeholders across the industry to deliver on that mission for AHDB is a vital part of my role. Our independence gives us the ability to be the conduit between government, industry and levy payers and is central to driving forward projects which offer practical solutions to industry-wide issues. It is important that we continue to provide evidence, insight and sector expertise to support informed government and business decision making.

We must also use our voice as an organisation to champion all the positive things we deliver so levy payers, industry and stakeholders fully understand the value that AHDB delivers. It is important that levy payers and AHDB feel confident in what the future holds, and I look forward to playing my part in driving UK agriculture forward.

Emily Norton
Chair
Agriculture and Horticulture Development Board

3 July 2026

Performance report

From the Chief Executive and Accounting Officer

Introduction

Since joining AHDB at the start of 2026 I have quickly learned that UK agriculture is constantly facing challenges, whether from the variable extremes of climate or the geopolitical landscape.

Our role as an organisation is to demonstrate leadership by speaking up for the industry in these uncertain times and providing the impartial, evidence-based information and support it needs to build resilience and growth for the future.

We have a vision of how we deliver the value that our levy payers demand. With the guidance of our new chair Emily Norton, my leadership team and I have developed a new business plan setting out how we will achieve this over the next three years. And I know we have the talent and expertise among our exceptional staff to deliver the programmes and projects we have laid out to help levy payer businesses navigate the challenges ahead.

Our work provides invaluable support to levy payers, partners and stakeholders alike and our aim is to build on that strong foundation. Our marketing campaigns continue to deliver real results – an independent report estimates every £1 of levy invested in our export programme for red meat and dairy delivers a return of £13 and £24, respectively. The behind-the-scenes work we do to develop new markets and promote high-quality British produce around the world was reflected in the record figures for red meat and dairy exports in 2025. Our analysis of the impact of the conflict in the Middle East on farm inputs was just one example of where our market intelligence team gave levy payers and industry the expert insight they needed. And out in the field or in the yard, our Knowledge Exchange teams gave the one-to-one support that farmers across the UK value so highly.

I want levy payers to feel the energy, expertise and purpose that define this organisation. Our story is rooted in a simple truth: AHDB is here to stand behind the levy payers we serve.

Overview

Continued and improved delivery in the areas most important to our levy payers was the main focus of our work in 2025/26. Expanding export opportunities, bolstering the reputation of high-quality UK produce at home and abroad and providing levy payers and industry with essential research, data and analysis all contributed to our drive to unlock the success of British agriculture.

Our award-winning marketing campaigns continued to deliver a significant return for levy payers by showcasing the breadth and quality of British produce to consumers. Now in its fifth year, our Let's Eat Balanced campaign continued to highlight the nutritional benefits of British beef, lamb and dairy to millions of consumers, featuring the stories behind the farmers that produce it. Now in its second year, our Milk Every Moment campaign, partnered with British Universities and Colleges Sport (BUCS), achieved notable success in telling students of the many benefits of milk, with its use of social media to reach out to a younger audience. Independent analysis shows this levy investment generates real return in retail sales for British dairy farmers and processors. Our Love Pork campaign in February 2026 reached more than 40 million consumers, helping them reappraise pork as a versatile, healthy and value-for-money protein.

Our reputational work went beyond marketing campaigns, with our experts providing vital evidence such as the scientific reports confirming red meat and dairy's essential contribution to healthy diets and the UK's environmental ambitions. The pioneering Environment Baselining Pilot has broadened to take on more farms and joined with Quality Meat Scotland and Hybu Cig Cymru, as we look to demonstrate the critical role British farming plays in reducing greenhouse gas emissions. Bringing industry together and finding solutions that work for all is paramount for a successful future.

Expert advice from our animal health and welfare experts helped steer levy payers through the developing bluetongue virus situation, with our Battle Bluetongue campaign providing practical advice and information through our website and seminars. Our Muck Free Truck campaign and African swine fever workshops and resources helped ensure the pork sector is ready for, and resilient against, any potential outbreak in the UK.

Making sure our young people know about the food they eat and where it comes from remained at the forefront of our work. We funded training for farmers to enable them to confidently host events for Open Farm Sunday, collaborated with LEAF to create immersive ‘Focus on Farming’ events for primary and secondary school pupils and our ‘Food – a fact of life’ partnership with the British Nutrition Foundation saw downloads of educational classroom resources pass the two million mark.

Our drive to provide new markets and export opportunities for our levy payers rose to new heights in 2025. Exports of dairy and red meat from the UK topped £4 billion last year, with both setting record values. The total value of UK dairy exports in 2025 was £2.2 billion – up 16.6% on the year – while UK red meat exports, including offal, reached £2 billion – an increase of 12% on 2024. Key to this was our International Trade Development Team which delivered a comprehensive programme of delivery in 2025 to promote exports of British dairy and red meat. Work included taking part in major international trade shows, while our Dairy sector team, supported by its in-market overseas representatives, delivered 28 events globally in 2025, marking their busiest year to date. The first AHDB Dairy Export Conference brought together export businesses, UK Government representatives and industry stakeholders to highlight global opportunities and future priorities for the sector. We also hosted a delegation of 28 buyers from across the Americas, Africa, Asia and the Middle East for our biggest-ever red meat mission into the UK.

Finding new opportunities and improving access in global markets underpins much of our export work. The EU remained the largest importer of UK red meat and dairy and we continued to strengthen the position of UK produce in that market through inward missions and promotion of our Quality Meat from Britain brand. Our collaboration with industry and government on outward trade missions and market access work helped ensure the UK’s world-class produce continues to flourish in multiple markets around the world. The expansion of our export team to focus on work in new markets in Asia and Africa underlines our commitment to supporting British exports.

Our delivery in the export field is underpinned, like much of our work, by our market intelligence experts. Our highly valued prices and market data provide levy payers with the information they need to make informed decisions for their business. And our role as a trusted, independent, evidence-based voice has provided levy payers and industry alike with valuable insight. Our analysis of the economic impacts of the war in Iran gave practical insight and support to levy payers and industry during a time of uncertainty. Longer-term work like our Agri-Market Outlooks, global prospects for agri-food exports, analysis of government policy and the impacts of economic change on agriculture provided levy payers with the information to help anticipate how their businesses may need to adapt.

On the ground, we remained committed to providing the knowledge and expertise farmers, growers and processors need to thrive. Our network of Knowledge Exchange and Engagement teams provided invaluable support across all sectors though hundreds of farmer-to-farmer meetings, workshops and webinars. We commissioned new research vital for our Cereals & Oilseeds levy payers, such as one of our largest looking at fungicide performance, updated and improved our highly valued Recommended Lists for cereals and oilseeds, and continue to ask for research investment ideas from levy payers via our Letterbox programme. Our world-class work in genetics continued apace with the launch of a new website to help dairy farmers make the right breeding decisions, while our national evaluation programme passed the one million genotypes milestone. Our Head of Animal Genetics was jointly awarded the prestigious 2026 Sir John Hammond Award in recognition of his outstanding contribution in improving the health, welfare, productivity and sustainability of the UK dairy herd. In the Beef & Lamb sector, a new tool – EnviroBeef – allowed farmers to make breeding decisions to improve profitability and reduce the carbon footprint of their herd and our pork training courses equip staff with the skills for a thriving future for the industry.

This report summarises AHDB’s performance in the 12 months to 31 March 2026. The following pages illustrate how levies have been invested to deliver services for our sectors during that period.

Performance Analysis

Delivering for AHDB Beef

Beef highlights

International trade events

14 red meat export businesses joined us at **Anuga** in Cologne – the world's largest food and drink showcase

Global beef exports

Red meat exports rose by **12%** to a record **£2bn** in 2025 – **0.14%** of the UK's GDP

Carcase balance

Beef offal shipments to Senegal and Cote d'Ivoire grew by **170%** and **28%**, respectively, to each total **1,700 tonnes**

Educating a new generation

In partnership with Leaf, we delivered four on-farm events for students as part of our focus on **experiential learning**

Environment

Our new **EnviroBeef tool** helps suckler beef farmers measure the environmental impact of their herd

Let's Eat Balanced

Every £1 of beef and lamb levy invested in our marketing campaign returned **£10** in **retail sales**

Sector priorities

- **Reputation:** Promoting and protecting the reputation of beef to consumers based on independent, scientific and geographically relevant evidence. This includes educating 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:** Protecting long-term demand by championing British beef as an excellent, healthy choice for consumers. This includes our Let's Eat Balanced campaign, delivering other highly visible targeted marketing campaigns across national TV, online, social media and in the press, showcasing our world-class farming standards to consumers and working with retailers to improve the shopping experience.
- **Exports:** Increasing market access and driving exports to underpin prices, giving us a better chance of getting the best value for the whole carcase and supporting farmgate prices. We will continue to work with industry and government to open new markets, champion British 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:** Enabling levy payers to improve their on-farm practices. This work includes 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.

Delivering for AHDB Lamb

AHDB

Lamb highlights

Sheep meet exports

Total export volumes grew by **11%** in 2025 to **95,300 tonnes,** with Canada up 55%

Carcase balance

Total sheep offal exports grew by **43%** to **8,200 tonnes**, with the EU up **32%** and Cote d'Ivoire up **110%**

Love Lamb Week

The industry collaboration marketing campaign celebrated its **10th anniversary**

Educating a new generation

430 trainee or non-specialist food teachers have registered on our new online **'Essentials' CPD programme**

Genetics and breeding

Three new commercial farms joined the **RamCompare** progeny testing project

International trade

28 buyers from the Americas, Africa, Asia and the Middle East took part in our biggest-ever **red meat inward mission**

Sector priorities

- **Reputation:** Promoting and protecting the reputation of lamb to consumers. This includes educating 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:** Protecting long-term demand by championing British lamb as an excellent, healthy choice for consumers. This includes our Let's Eat Balanced campaign, delivering other highly visible targeted marketing campaigns across national TV, online, social media and in the press, showcasing our world-class farming standards to consumers and working with retailers to improve the shopping experience.
- **Exports:** Increasing market access and driving exports to underpin prices, giving us a better chance of getting the best value for the whole carcase and supporting farmgate prices. We will continue to work with industry and government to continue opening new markets, champion British 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:** Enabling levy payers to improve their on-farm practices. 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. We aim to provide leading genetics programmes that drive innovation and sustainability, and to increase awareness, uptake and value to levy payers from the Recommended Grass and Clover List.

Delivering for AHDB Dairy

AHDB

Dairy highlights

Environmental Roadmap

The **Dairy Roadmap** expanded in **2025** to include the full value chain

Global exports

The total value of UK dairy exports in 2025 was **£2.2 bn** – up **16.6%** on the year

Export opportunities

Our inaugural Dairy Export Conference brought together **60** industry and government delegates to explore **global opportunities**

LET'S EAT BALANCED

Let's Eat Balanced

Every **£1** of **dairy levy** invested in our campaign returned **£28** in retail sales

Dairy genetics

More than **one million genotypes** are now included in our UK dairy evaluation programme

MILK

MilkGoals

Our social-media-led campaign for the women's Euros reached **7m** people, with posts seen **17m** times

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. This 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. We will work with farmers to show the reduced environmental impact of British dairy and showcase best practice.
- **Data and evidence:** Using evidence and data to defend or enhance the reputation of the dairy industry at home and abroad. This 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. Through our baselining pilot, we will explore if more accurate environmental data and knowledge can support better on-farm decision-making.
- **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. We will promote efficient nutrient management via RB209 and increase uptake of the Recommended Grass & Clover List to boost productivity and reduce losses.

Delivering for AHDB Pork

AHDB

Pork highlights

Pig meat exports

Exports rose **3%** in 2025 to **306,200** tonnes, supported by stronger shipments to China – **up 13%**

Disease prevention

Over **140 producers** attended one of our 14 in-person workshops for **African swine fever** contingency planning

Skills for the future

There have been over **9,600 registrations** since 2022 on our pig handling course

Love Pork

Our campaign reached **49m** adults and saw consumer purchase intent for British pork rise to **84% –** the **highest level** on record

Levy value

Our pork marketing campaigns typical deliver **£10.05** in sales for every **£1** spent

International trade

We led a **three-day mission** to Vietnam to help exporters identify export opportunities for **British pork**

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. This will involve continuing to deliver award-winning consumer marketing campaigns, in tandem with our always-on social media presence, 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:** Access to export markets is essential to support domestic pig prices. Our work identifies lucrative markets such as the USA for high-quality products and balances the carcases 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.

Delivering for AHDB Cereals & Oilseeds

AHDB

C&O highlights

Market information

Our Market intelligence web pages had more than **1.9m views** in 2025

Submit your ideas

765 research suggestions to our AHDB Letterbox in 2025/26, taking the total to **2,222**

Research and innovation

58% of our **19** live research projects have either cash or in-kind contributions

Cereals conference

We launched the first **Big Scottish Crops Conference** in December 2025

Face-to-face meetings

4,117 people attended our engagement events in **2025/26**

Recommended Lists

41,113 visits to the RL home page with **6,596** downloads of the booklet

Sector priorities

- **Independent research and evidence:** 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. Our fungicide performance trials provide performance and efficacy data for key products for major crop diseases.
- **Anticipate future challenges:** The aim of this work is to provide answers to key questions that levy payers have and seek reliable independent answers – 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.
- **Strengthen co operation among stakeholders:** 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 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.
- **Driving change on farm to boost productivity:** 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 a providing a wealth of other opportunities for levy payers and advisers to share and gain knowledge on the topics of most interest to them.

Key issues and risks

Risks

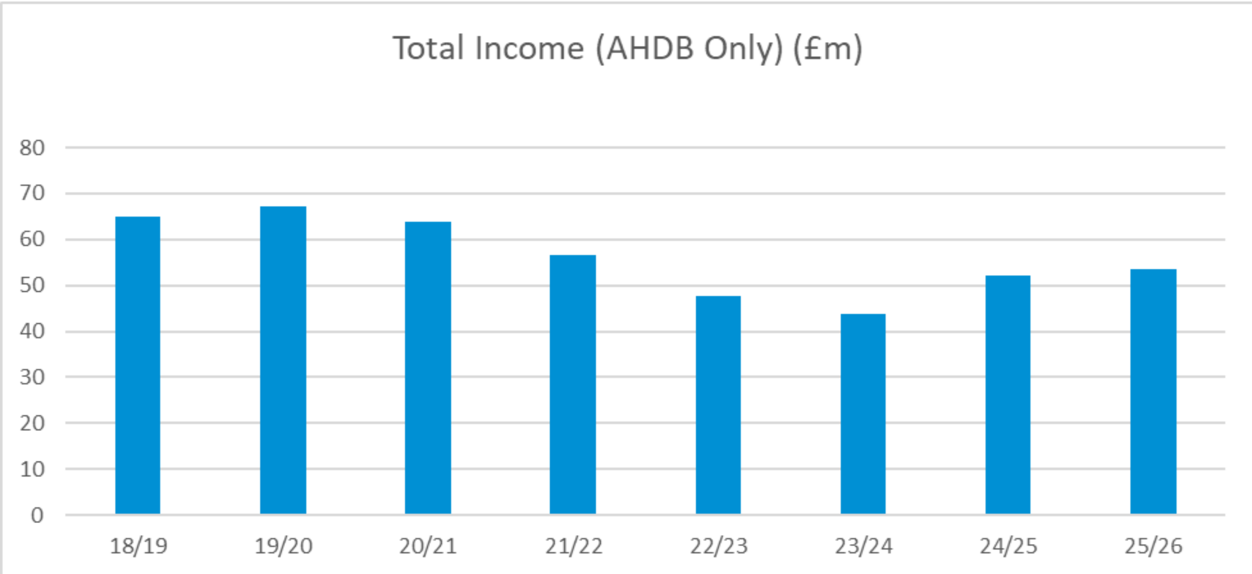
In 2025/26, the Board continued to consider and discuss five overarching risk categories. These risk areas encompass income, expenditure, brand reputation, regulatory compliance and people/resources. Risks relating to data were also considered. Risk management and specific risk areas are addressed within the Governance Statement in later pages.

Financial performance

The total net income for AHDB standalone core activities during 2025/26 was £53.6 million (2024/25, £52.1 million), while operating expenditure on core strategic activities excluding legacy pension scheme costs was £53.8 million (2024/25, £51.7 million).

The net total comprehensive income for AHDB in 2025/26 was £1.1 million (2024/25, net comprehensive expenditure of less than £0.1 million) and, when excluding pensions asset/liability movements of £1.8 million (2024/25, £0.7 million), the underlying deficit for AHDB standalone for 2025/26 was £0.7 million (2024/25, deficit of £0.7 million).

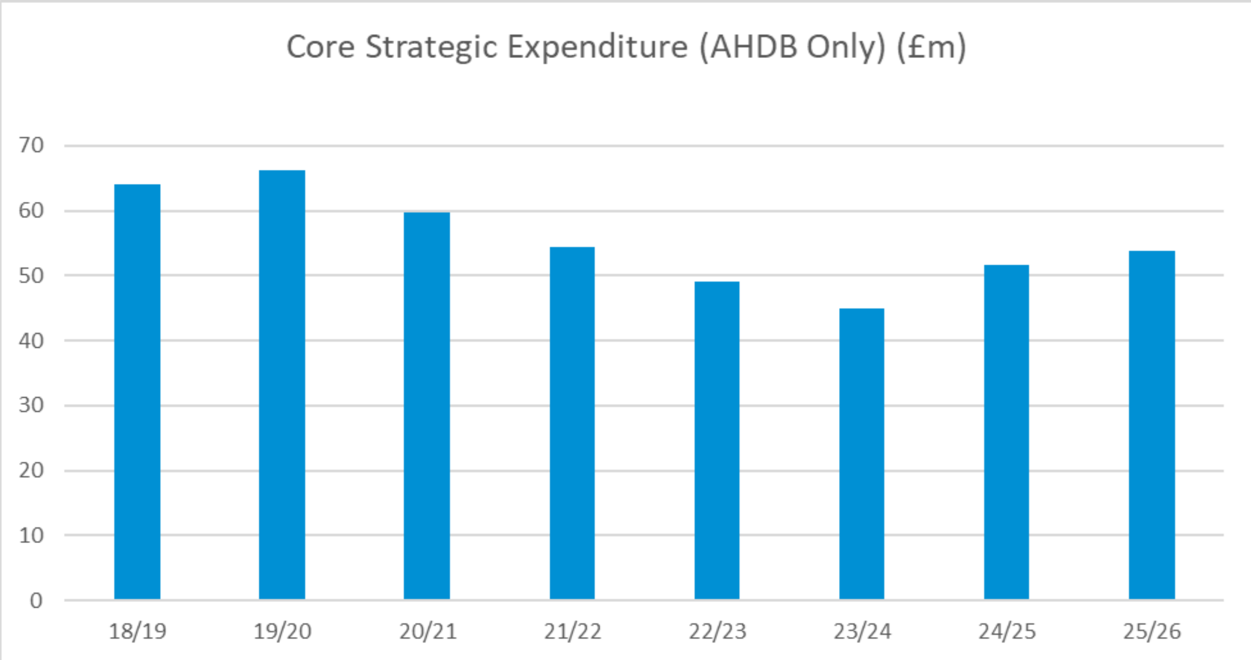
AHDB continuing sectors recorded an underlying deficit in 2025/26 of £0.5 million (2024/25: £0.2 million surplus). Excluding the pension reserves, AHDB continuing sectors' reserves were £20.0 million on 31 March 2026 (31 March 2025: £20.5 million). Including pension reserves, AHDB continuing sectors' reserves on 31 March 2026 were £20.0 million (31 March 2025: £18.7 million). Any pension-related reserves are not available to AHDB for operational purposes; they are required for legacy pension scheme and plan obligations.



Gross levy income for 2025/26 of £52.7 million was less than £0.1 million more than 2024/25.

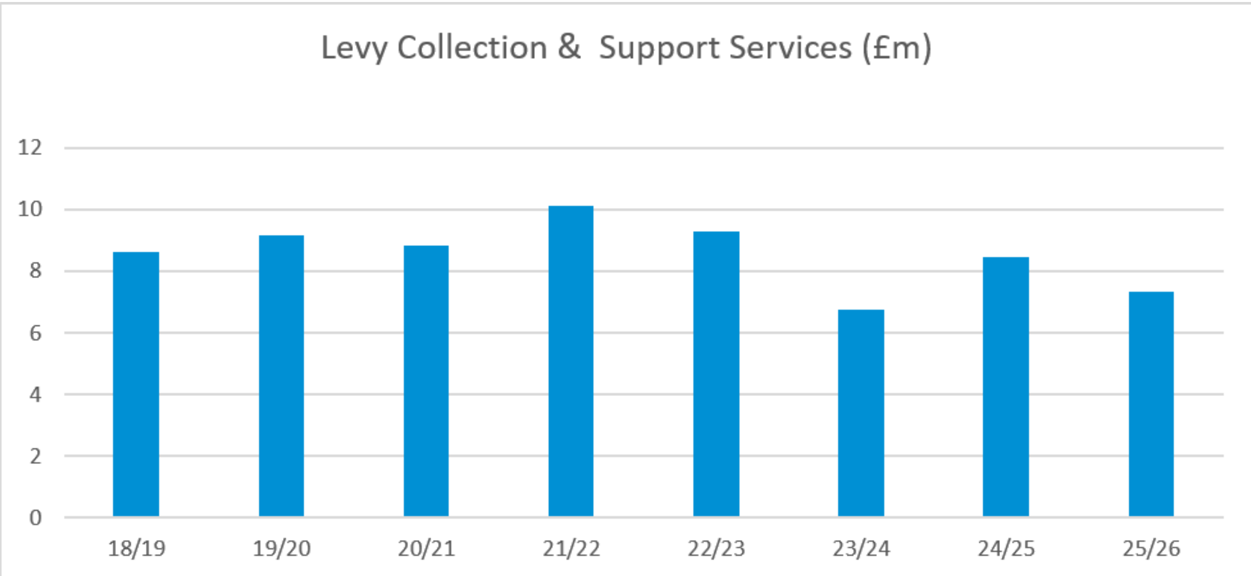
The Red Meat Levy Scheme (RML Scheme) defines the fair reallocation of red meat levies between home nations in relation to the cross-border movement of livestock to slaughter. The RML Scheme levy reallocation value for 2025/26 was £3.3 million (2024/25, £3.2 million). The levy reallocation net effect is to reduce the levy income to AHDB – please see Notes 2a and 2b for more information.

The non-levy income for 2025/26 of £4.2 million was £1.6 million more than 2024/25, primarily due to new income streams that benefit our levy payer focused activities.



The core strategic operational expenditure for the continuing sectors increased by £2.8 million, when compared to 2024/25, to £53.5 million (2024/25: £50.7 million). Staff costs have increased by £1.7 million, driven by full year effect of new starters in 2024/25, a cost-of-living pay increase and an increase in the number of staff.

Expenditure on core strategic activities in the ‘winding down’ sectors for 2025/26 was £0.2 million (2024/25, £1.0 million). In July 2025 AHDB made the final payment related to the HCP Limited grant agreement; no payments were made to GB Potatoes Organisation Limited. See Notes 2a and 2b for more information.



Levy collection and support services expenditure in 2025/26 reduced compared to 2024/25 by £1.1 million, due primarily to the movement of individual Sector Director roles from Support Services to Engagement and a reduction in grant payments in 2025/26 related to the Horticulture and Potato sectors.

Sector Councils, including staff and sector-specific costs, accounted for circa 1% of income in 2025/26 – a reduction of 1% compared to 2024/25 – due to the movement of Sector Director roles to Engagement. A breakdown of how the levy from each sector is invested can be found in Note 2a.

The AHDB cash balance at the end of the year was £9.7 million compared to £9.4 million in 2024/25. This increase is the result of switching from long-term treasury deposits to investing surplus cash funds in short-term treasury deposits. Long-term treasury deposits are classified as financial assets, whereas the short-term deposits are recognised as part of cash and cash equivalents.

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 2025/26 AHDB spent £12.4 million on marketing (2024/25, £13.6 million).

Winding down sectors: The Horticulture and Potatoes sectors were winding down operations during 2025/26 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.

Across the two sectors, the core strategic operational expenditure was £0.2 million (2024/25: £1.0 million) with an underlying deficit of £0.1 million when including all non-levy income and other costs (2024/25: £0.9 million deficit). Reserves for these two sectors on 31 March 2026 were £3.4 million (31 March 2025: £3.6 million). The reserves will fund the future year grant payment, and any residual costs associated with managing websites and auditing the grant expenditure.

The AHDB Board, in conjunction with Defra, agreed that the distribution of available surplus reserves for the Horticulture sector will be issued as a grant for the furtherance of EAMUs and EA services. The grant agreement was signed by Horticulture Crop Protection Limited and AHDB 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 in 2024/25 of £0.4 million. The final payment of £0.2 million was made in 2025/26 and there was no financial commitment on 31 March 2026.

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 and a payment of £0.5 million was made in August 2024. The grant agreement is for an initial term of three years, with an extension for years 4 and 5 if funds are available. No payments were made during 2025/26. The expected payments for 2026/27 and 2027/28 were treated as a financial commitment on 31 March 2026.

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. New supplier and customer registration practices include anti-fraud procedures. 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 have an EDI action plan, which includes actively reviewing the issue of gender pay and requiring staff members to undertake EDI awareness training courses, with an updated interactive course rolled out in 2024/25 and continued in 2025/26.

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, including the procurement of recycled toilet paper and hand towels.

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 move to a new HQ building with a smaller footprint has helped longer-term metrics. Consumer single-use plastics are not procured.

A substantial reduction in domestic vehicle fleet in recent years, and a move to a smaller, more efficient HQ has helped maintain an overall downward emissions trajectory. AHDB total emissions have fallen to 286 tonnes CO_2 in 2025/26 from a 1,108 tonnes CO_2 baseline in 2017/18 (a 74% 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 2025/26 was three vehicles, which is the same as 2024/25, with a ULEV ratio of 67%. The average CO_2 emissions of the commercial fleet has increased to 173 g/km in 2025/26 (2024/25: 113 g/km).

Finite resource consumption and paper usage: AHDB's water consumption increased to 390 cubic metres in 2025/26 (2024/25: 287 and 2023/24: 497). Paper usage through printers in AHDB's UK offices and by some home workers in 2025/26 was 178 reams (2024/25: 209). This represents a 95% 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 2025/26 AHDB recycled 5.61 tonnes of waste, including 0.37 tonnes of IT waste. A total of 1.43 tonnes went to landfill. Waste tonnage has reduced by 2.76 tonnes compared to 2024/25. It can be seen from the accompanying table that, during 2025/26, AHDB had a 80/20 split between the tonnes of waste being recycled and that being sent to landfill compared to a 74/26 split in 2024/25.

Greenhouse Gas Emissions	Year ended 31 March 2026		Year ended 31 March 2025	
	Measure	Tonnes CO_2	Measure	Tonnes CO_2
Scope 1: Direct Emissions				
Bulk Fuels:				
Fleet (kilometres)				
Medium diesel car, 1.7 - 2.0 l	58,406	9.93	13,079	2.18
Total Scope 1 Emissions	58,406	9.93	13,079	2.18
Scope 2: Energy Indirect				
Electricity (kWh)	171,529	30.00	201,377	41.27
Total Scope 2 Emissions	171,529	30.00	201,377	41.27
Scope 3: Other Indirect Emissions:				
Travel by non-AHDB-owned transport (kilometres)				
Small petrol car, up to 1.4 l	59,611	8.49	68,820	9.84
Medium petrol car, 1.4 - 2.0 l	87,245	15.19	102,130	18.03
Large petrol car, >2.0 l	10,822	2.90	9,663	2.59
Small diesel car, up to 1.7 l	32,514	4.61	35,216	4.87
Medium diesel car, 1.7 - 2.0 l	73,123	12.44	85,279	14.19
Large diesel car, >2.0 l	63,082	13.15	60,284	12.40
Battery Electric Vehicle (BEV) - Average	1,552	0.06	1,436	0.07
LPG - Average	4,258	0.83	4,527	0.89
Public Transport (kilometres)				
Domestic Flights	138,729	18.58	118,743	18.93
Rail - National /Average	303,025	10.64	296,205	10.40
Light Railway / Tram	277	0.01	331	0.01
London Underground	10,666	0.32	964	0.03
Taxi - Regular	7,321	1.51	6,261	1.29
Bus - Average	1,019	0.11	684	0.07
Ferry - Average	344	0.04	0	0.00
Other Travel (kilometres)				
Short Haul International Economy	132,212	9.71	85,770	9.18
Short Haul International Business	5,213	0.57	5,435	0.87
Long Haul International Economy	180,621	12.33	65,019	7.62
Long Haul International Premium Economy	219,620	23.99	216,559	40.58
Long Haul International Business	512,388	101.43	561,721	190.79
International (non-UK) Economy	34,588	2.21	25,531	2.01
International (non-UK) Premium Economy	5,869	0.60	3,793	0.48
International (non-UK) Business	23,038	4.26	33,452	7.64
International (non-UK) First			858	0.27
Rail - International	18,368	0.08	19,676	0.09
Taxi - International	4,436	0.92	4,217	0.87
Bus - International	528	0.05	218	0.02
Tram - International	147	0.00	103	0.01
Waste management (tonnes)				
Waste recycled externally (including ICT waste)	6	0.03	7	0.04
Waste sent to Landfill	1	0.76	3	1.35
Total Scope 3 Emissions	1,930,623	245.82	1,812,905	355.43
Total		**285.75**		**398.88**
Tonnes/£m income		**5.3**		**7.7**

Costs (£)	Year ended 31 March 2026	Year ended 31 March 2025
Gas	-	868
Electricity	59,927	106,028
Water	18,937	5,645
Busniess Travel	889,772	858,976
Waste Management		
Total waste recycled	5,701	4,546
Total waste to lanfill	4,238	5,176

Total reported emissions reduced by 28% in 2025/26 compared to the previous year, as seen in the year-on-year emissions values in the above table. The main driver for this reduction is efficiency savings achieved through the consumption of electricity, the emissions for which have prescribed GHG conversion factors.

Electricity emissions reduced by 27% in 2025/26 compared to 2024/25 – this was driven by a reduction in kWh used as a result of becoming familiar with efficiencies in the smaller premises. Waste management processed has reduced by 3 tonnes in 2025/26 compared to 2024/25.

Kilometres travelled on public transport has increased by 9% during 2025/26; there were 303 domestic flights compared to 293 in 2024/25. Rail travel increased by 6,820 km (2%) compared to 2024/25, with travel by non-AHDB-owned cars reducing by 8% in 2025/26.

Kilometres travelled overseas has increased by 11% during 2025/26; this converts to a 4% reduction in tonnes CO_2 which is driven by the prescribed GHG conversion factors.

Sustainable procurement: We seek to apply best practice sustainability considerations to our procurement activities with reference to the Government Buying Standards on a proportionate basis where applicable. We use the Government's Energy Performance Contract for our energy (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. As referred to in the Performance Report introduction, the pioneering Environment Baselining Pilot has broadened to take on more farms and joined with Quality Meat Scotland and Hybu Cig Cymru, as we look to demonstrate the critical role British farming plays in reducing greenhouse gas emissions.

Key Performance Indicators

During 2025/26 AHDB executed the tenth year of measuring its corporate performance against key metrics which include awareness of AHDB, understanding of AHDB, value for money, satisfaction and willingness to recommend (2015 to 2025). The latest data is highlighted in the table below (fieldwork October 2025 to January 2026).

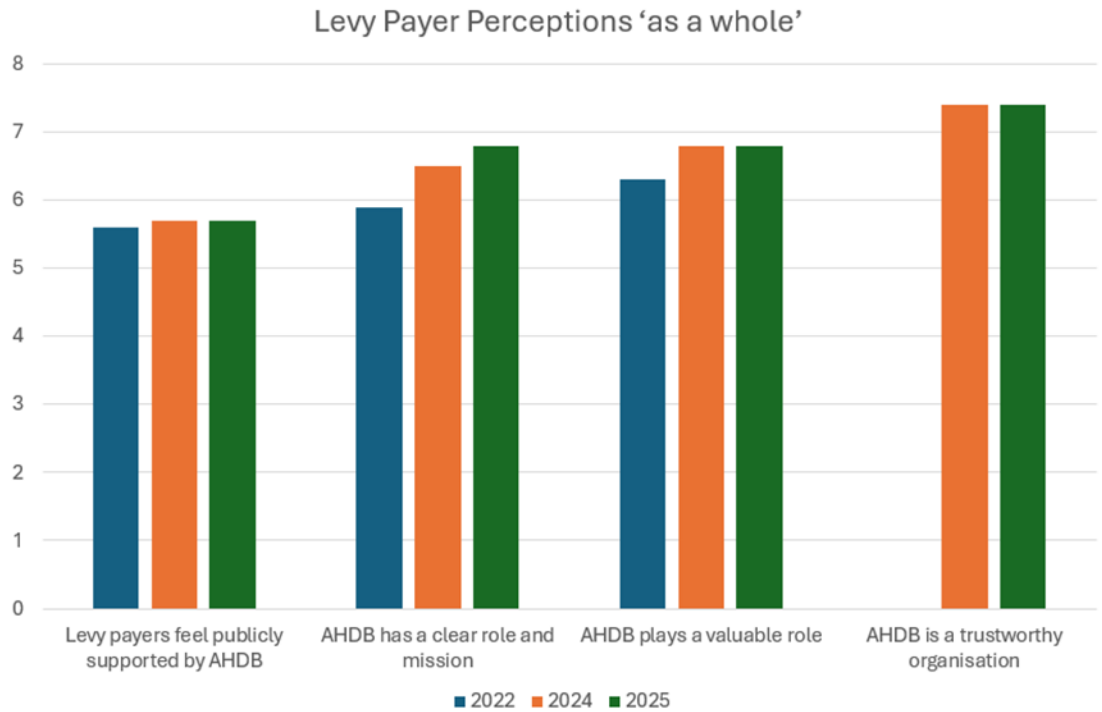
Measure / Sector	Awareness (% Yes)		Understanding (mean score / 10)		Value for Money (mean score / 10)	
	2015	**2025**	**2015**	**2025**	**2015**	**2025**
Beef & Lamb	72%	92%*	3.8	5.3*	4.7	5.9*
Cereals & Oilseeds	82%	98%*	4.5	6.1*	5.3	6.1*
Dairy	79%	100%*	4.1	6.1*	3.9	5.8*
Pork	83%	100%	4.5	6.9*	5.4	5.8*

Sector \ Measure	Satisfaction (mean score / 10		Recommendation (mean score / 10)	
	2015	2025	2015	2025
Beef & Lamb	4.8	5.9*	4.0	5.5*
Cereals & Oilseeds	5.7	6.1*	4.6	5.8*
Dairy	3.7	5.7*	4.0	5.8*
Pork	5.3	6.0*	4.9	5.7*

** Denotes statistically significant movement 2015 to 2025. 2015 is the first year fieldwork was undertaken to collate the survey feedback.*

Note: *Due to a low response rate from the pork sector for this survey, figures are indicative only and statistical significance should not be calculated.*

To further understanding of levy payer perceptions and satisfaction with AHDB performance, the following questions have been added in more recent years.



There have been several instances of sectors setting new highs in 2025 for key measures, particularly for Beef & Lamb, which is a turnaround from the 2022 and 2024 results.

The only change to the delivery of the study has been that a small proportion of Dairy regional levy payer interviews in Scotland and Wales were sourced from AHDB contact data as we were unable to secure a sufficient number with the independent business lists purchased by the fieldwork agency (17 interviews out of 400). While it is not a significant amount, it is a change to delivery that requires to be noted.

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 Sector Council members was held during December 2025, with all council appointments and re-appointments being ratified.

A 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 2025/26 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, consisting of current or recent levy payers and independent members, with appropriate skills and industry expertise. The Board consisted of nine non-executive members, including the Chair (noting the resignation of one Board member in December 2025). The Board is supported in its work by two statutory committees: the Remuneration and Nominations Committee and the Audit and Risk Assurance Committee.

The Board is also supported by Sector Councils which decide what strategic programmes of work are needed to support their sectors and also what recommended levy rate is needed to fund that work. The Sector Councils are comprised of levy payers from each sector and independent members, 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 20 meetings between them.

Summary and look ahead

Over the past 12 months, we have undergone a leadership change with a new CEO and Chair joining the organisation. Following a smooth transition we are well-placed to continue to provide the leadership and expertise that UK agriculture needs in uncertain times.

Our work in 2025/26 has seen us build on our programme of unlocking the success of British agriculture by delivering the services and tools levy payers value most. From record export figures and impactful marketing campaigns, to driving data innovation and providing expert analysis, our broad portfolio of work has delivered real impact for levy payers, stakeholders and industry alike.

We go into 2026/27 with renewed focus on creating a food and farming sector built for future prosperity. Our new three-year business plans aim to make farms more viable and sustainable, explore further opportunities for UK produce abroad and give the independent evidence and insight where it matters most for the sector to make the right decisions for the future of UK agriculture.

Helen Herniman
Chief Executive and Accounting Officer
Agriculture and Horticulture Development Board

3 July 2026

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 29. Details of the Accounting Officer, who is the Chief Executive of AHDB, are reported on page 31.

Any interests held by AHDB Board members in other relevant organisations are disclosed in Note 19 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.

AHDB purpose and strategic priorities

To lead the way in creating a thriving, sustainable and trusted food and farming sector that is an engine for Britain's growth and prosperity, through:

- Strengthening economic resilience by helping farms adapt and be profitable
- Making it easier to achieve environmental sustainability by identifying and removing practical barriers
- Working with partners to expand market opportunities in the UK and abroad
- Providing clear, independent evidence and analysis that allows people to make bold, confident decisions
- Leading the agricultural sector in farm data-driven innovation to unlock growth

Pension schemes

In accordance with the Government Financial Reporting Manual for the year ended 31 March 2026, 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 a net pension asset value restricted to zero (2024/25, liabilities of £1.8 million) and zero (2024/25, zero), respectively, in the AHDB Statement of Financial Position. Pension scheme assets belong to the pension schemes and, in accordance with the Pension Scheme Surpluses (Valuation) Regulations 1987, are not available to AHDB.

At 31 March 2026 all AHDB employees are part of a defined contribution pension scheme. The legacy defined benefit schemes are reported on in more detail in Note 18. The members of the defined benefit 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.

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 2025/26 was 31 days (2024/25: 29 days). The average time between the date the invoice was received and the payment date for all invoices paid in 2025/26 was 21.9 days (2024/25: 22.1 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 2025/26, the cost of services provided by such specialist contractors by the AHDB Group was £1.6 million (2024/25: £2.6 million).

Environmental issues (sustainable development)

Please see the Performance Report.

Auditor

The statutory auditor of AHDB is the Comptroller and Auditor General (C&AG). Services are limited to the audit and no fees were paid in respect of non-audit services.

Personal data-related incidents

There were seven personal data incidents logged during the year (five in 2024/25). The seven data incidents were related to human error in handling personal data, such as missent emails and incorrect disclosures. One incident met the reporting threshold and was notified to the Information Commissioner's Office (ICO). No incidents required notification to Defra.

All incidents were assessed promptly by the Data Protection function and were used to reinforce staff awareness and strengthen controls around the secure handling of personal data.

Five Subject Access Requests were received during 2025/26 (two in 2024/25 (restated)).

Statement of the Board and 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, the Board and Accounting Officer is required to 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 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.

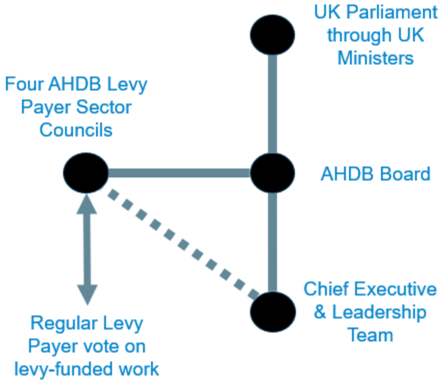
I consider the Annual Report and Accounts as a whole to be fair, balanced and understandable.

Governance Statement 2025/26

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 administrations 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 members hold appropriate levy payer experience and a proven understanding of the skills and opportunities facing the industry. Some Board members are independent, bringing a range of additional skills and experience from a broad range of industries. The members of the AHDB Board are appointed by Ministers from all four constituent countries of the UK. As of 1 April 2025, there were nine board members in post, including the Chair. This number reduced to eight in December 2025 following the resignation of one board member.

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 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, with several being recent or current levy payers with industry expertise. Emily Norton was appointed as the new AHDB Chair on 1 June 2025, replacing Nicholas Saphir. In December 2025 Tom Clarke resigned from the AHDB Board and as Cereals & Oilseeds Sector Chair. At the beginning of 2026 a recruitment exercise was run seeking to appoint three new board members: a new Cereals & Oilseeds Sector Chair, a new Audit and Risk Assurance Committee Chair, and a new independent Board Member.

- 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 what recommended levy rate is needed to fund that work. These councils are comprised of levy payers for that respective sector, with appointments confirmed primarily 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 the 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.

- The AHDB Executive is responsible for 'how' the strategic work programmes are delivered. Sector Councils cannot discharge executive functions. The AHDB Executive consists of the CEO, supported by a leadership team consisting of the four Sector Directors, a Company Secretary and Governance Director, Finance and Operations Director, Centre of Excellence Director, and a Market Developments and Communications Director. During the reporting period three individuals undertook the role of AHDB CEO: Graham Wilkinson (continuing from 2024/25), Janet Swadling OBE (as Interim CEO during a transition period) and Helen Herniman (starting January 2026).

Board focus

During 2025/26 the Board focused time on the delivery of AHDB's key priorities and the future vision and strategy for AHDB. In particular, the Board considered:

- The long-term future strategy and change programme for AHDB
- How we deliver better levy payer engagement from our communications and technical campaigns
- How we evaluate the value for money to levy payers from our work.

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
Emily Norton	6	6				
Colin Bateman	6	6			2	2
Tom Clarke	4	4			2	2
Stephen Briggs	6	6	3	3		
Lyndon Edwards	6	6				
Graeme Jack	6	6			1	1
Catherine MacKenzie	5	5			2	2
Glen Nimmo	6	6	4	4		
Sarah Pumfrett	6	6	4	4		

The CEO/Accounting Officer, members of the leadership team and the Company Secretary and Governance Manager attended Board and AHDB Board subcommittee 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.

Board performance and effectiveness

The effectiveness of the Board is assessed by the Chair conducting individual appraisals of each Board member on an annual basis. During the period December 2025 – February 2026, the Board undertook a board effectiveness review conducted by TrustPoint Governance Ltd to further assess the effectiveness of its operation. This external review concluded that the Board was operating effectively, with some recommendations made to strengthen ongoing practice and performance.

Conflicts of interest continued to be declared and monitored throughout the year. The AHDB Board continued to manage 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. As part of the third party board effectiveness review, these items were benchmarked against similar organisations and boards.

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 2026 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 2024/25, and no new ones were raised in 2025/26.

Audit and Risk Assurance Committee (ARAC)

Membership of the ARAC is detailed on page 29. Meeting attendance is covered in the table on page 24.

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.

The 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.

The ARAC has self-assessed against the required skills matrix and considered that additional knowledge and experience in relation to Digital, Data and Technology would be beneficial. This was mirrored by the AHDB Board and is being addressed through the Board recruitment exercise undertaken in January 2026. The ARAC also noted that its Chair was due to end their term of office at the end of the reporting period and a new Chair must be recruited.

The 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, the 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 the 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. The 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 28). 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. The 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 2025/26, 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 the ARAC. RSM's annual internal audit report for 2025/26 considered that "there are weaknesses in the framework of governance, risk management and internal control such that it could become inadequate and ineffective". The Committee noted that this was the same rating as last year. Though progress in improving relevant frameworks and controls had been made following individual reports, the Committee expressed its desire for the Executive to make progress such that a higher rating be achieved for 2026/27. There are four possible rating categories for audit reviews, from 'Substantial' through 'Reasonable' and 'Partial' to 'No' assurance.

During 2025/26, the internal audit areas covered were:

Audit area	Rating
Governance	Partial assurance
Farm Data Exchange	Reasonable assurance
Stakeholder management	Partial assurance
Follow-Up	Poor progress
Data Governance and Management Framework	Partial assurance

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. The ARAC considered the independence of the external auditor, ensured that significant findings and recommendations were received and discussed on a timely basis and that management responded appropriately to recommendations.

Other assurances

AHDB uses a small number of business critical 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 and Operations Director, and are maintained and assured by suitably skilled specialists within the Financial Controller's team.

AHDB incorporates the government functional standards where applicable, i.e. within its Risk Management Policy and Framework, and complies with the main principles of The Orange Book Management of Risk; for example, the guidance on General Grants was used to ensure grant business cases were addressing best practice.

ARAC commended the organisation for achieving Cyber Essential Plus accreditation during the reporting period.

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.

Remuneration and Nominations Committee

Membership of the Remuneration and Nominations Committee is detailed on page 29, and attendance is recorded in the table on page 24. The Committee is chaired by an AHDB Board member and includes three other Board members.

During 2025/26, the Remuneration and Nominations Committee met two times, when it:

- Approved the implementation of Government guidelines on pay for AHDB employees
- Considered Sector Council Chair and member remuneration and principles for claiming remuneration
- Considered remuneration and appointment of MLC Pension Scheme Trustees
- CEO and Board member recruitment
- The commissioning of the third-party Board Effectiveness Review
- Employee Engagement activities

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 2025/26, there was one concern raised under the whistleblowing policy. The policy itself was reviewed and approved by the ARAC.

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 continued not to be subject to any risks in relation to Russia's invasion of Ukraine. Risks in relation to the environment and climate change were considered across all levels of AHDB risk management.

Risk appetite

The AHDB Board, ARAC and AHDB Executive regularly use AHDB's defined risk appetites in all considerations and discussion around risk. Risk appetite statements and acceptable levels are defined within AHDB's Risk Management Policy and Framework, which is reviewed and approved at least annually.

Specific risks

During 2025/26 the AHDB corporate risk register consisted of five overarching risks, underpinned by linked risks at operational level. Appropriate and proportionate mitigating controls and actions exist across all risk levels, aimed at reducing both likelihood of risks occurring and potential impact of any materialising risks. During the reporting period no risks recorded within the organisation's registers materialised. Risks are discussed and reviewed on a regular basis by the AHDB Executive, ARAC and AHDB Board. The five corporate risks are:

- AHDB income: Due to external factors AHDB's income could significantly shrink, reducing the work it can do and the impact it can deliver for levy payers.
- AHDB expenditure: Expenditure on medium/long-term contract commitments and on AHDB's people could become out of balance with income resulting in the need for radical expenditure corrections, destabilising the organisation and undermining the reputation of its Board/Councils/Leadership Team.
- AHDB brand reputation: There is a risk of gradual undermining of AHDB's reputation and/or loss of industry or Government trust which could lead to an inability to operate effectively as an independent evidence-based organisation – potentially triggering sector ballots and/or a cessation event.
- People/resources: AHDB could become unable to develop and deliver the levy payer priorities due to the risk that management fails to effectively recruit, develop, allocate and retain people resources in line with business plans and income forecasts.
- Regulatory compliance: Failure to monitor regulatory compliance and train our people to act responsibly in line with the law could result in breaches, along with fines, reputational damage and potential failure of fiduciary duties by the Board and Leadership Team.

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 2026

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 challenges and opportunities facing the industry.

AHDB Board

Chair: Emily Norton

Independent members: Dr Catherine MacKenzie
Sarah Pumfrett
Graeme Jack

Sector Council Chairs: Colin Bateman, levy payer and Chair of Beef & Lamb Sector Council
Stephen Briggs, levy payer and Interim Chair of Cereals & Oilseeds Sector Council
Lyndon Edwards, levy payer and Chair of Dairy Sector Council
Glen Nimmo, 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 is published on **www.ahdb.org.uk**

Statutory committees

AHDB Audit and Risk Assurance Committee

Sarah Pumfrett (Chair) – AHDB independent Board member
Stephen Briggs – Interim Chair of Cereals & Oilseeds Sector
Polly Davies – Cereals & Oilseeds Sector Council member
Emma Furnival – Dairy Sector Council member
Glen Nimmo – AHDB Board member, Pork Sector Council Chair
Dr Paul Unwin – Beef & Lamb Sector Council member

AHDB Remuneration and Nominations Committee

Dr Catherine MacKenzie (Chair) – AHDB independent Board member
Colin Bateman – AHDB Board member
Graeme Jack – 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 29, and attendance is recorded in the table on page 24. 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 Council members
- Support 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 2026.

	Contract start date	Contract expiry date	Contract notice period	Unexpired term
Helen Herniman: Chief Executive Officer (From 5 January 2026)	5-Jan-26	Indefinite	6 months	Not applicable
Janet Swadling: Chief Executive Officer (From 19 August 2025 Until 16 January 2026)	19-Aug-25	16-Jan-26	1 months	Not applicable
Graham Wilkinson: Chief Executive Officer (Until 3 October 2025)	1-Mar-24	3-Oct-25	6 months	Not applicable
Ken Boyns: Centre of Excellence Director (Sustainable Agriculture)	1-Jul-24	Indefinite	6 months	Not applicable
Samantha Charlton: Beef & Lamb Sector Director (Until 12 December 2025)	2-Sep-24	12-Dec-25	6 months	Not applicable
Angela Christison: Pork Sector Director (Until 2 December 2025)	1-Jul-24	2-Dec-25	6 months	Not applicable
Paul Flanagan: Dairy Sector Director	1-Jul-24	Indefinite	6 months	Not applicable
Mike Gooding Interim Cereal & Oilseeds Sector Director (From 13 March 2026)	13-Mar-26	30-Jun-26	6 months	Not applicable
Mark Haighton Pork Sector Director (From 29 September 2025)	29-Sep-25	Indefinite	6 months	Not applicable
Tony Holmes: Finance & Operations Director	1-Jul-24	Indefinite	6 months	Not applicable
Will Jackson: Market Development & Communications Director	1-Jul-24	Indefinite	6 months	Not applicable
Rebecca Loveday: Company Secretary & Governance Director (From 13 January 2025)	13-Jan-25	Indefinite	6 months	Not applicable
Sarah Woolford Cereal & Oilseeds Sector Director (From 9th Spetember 2024 Until 12 March 2026)	9-Sep-24	12-Mar-26	6 months	Not applicable

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

Helen Herniman was appointed CEO effective 5 January 2026.
Janet Swadling appointed Interim CEO effective 19 August 2025 to 16 January 2026.
Graham Wilkinson stepped down as CEO effective 22 August 2025.
Samantha Charlton stepped down as Beef & Lamb Sector Director effective 12 December 2025.
Angela Christison stepped down as Pork Sector Director effective 2 December 2025.
Mike Gooding appointed Interim Cereal & Oilseeds Sector Director effective 13 March 2026.
Sarah Woolford stepped down as Cereal & Oilseeds Director effective 12 March 2026.

Prior year disclosures relating to the HR director role may be found in the 2024/25 Annual Report and Accounts.

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 2026, 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. There were no bonus payments in either year. “Benefits in Kind” in the table below relate to private medical insurance benefit only and no other non-cash benefits were provided. Car allowance amounts are included in the “Salary and allowances”.

	Salary and allowances (£000s)		Benefits in kind Nearest £100 (£000s)		Pension benefit Nearest £1,000 (£000s)		Total in bands of £5,000	
	2025-26	2024-25	**2025-26**	2024-25	**2025-26**	2024-25	**2025-26**	2024-25
Helen Herniman: Chief Executive Officer (From 5 January 2026)	35-40	-	-	-	**4**	-	**35-40**	-
Janet Swadling: Chief Executive Officer (From 19 August 2025 Until 16 January 2026)	60-65	-	-	-	**6**	-	**65-70**	-
Graham Wilkinson: Chief Executive Officer (In role until 22 August 2025)	75-80	155-160	-	-	**6**	12	**85-90**	165-170
Ken Boyns: Centre of Excellence Director (Sustainable Agriculture)	**130-135**	125-130	**0.7**	0.5	**13**	12	**145-150**	140-145
Samantha Charlton: Beef & Lamb Sector Director (Until 12 December 2025)	**70-75**	60-65	**0.5**	0.4	**7**	6	**80-85**	65-70
Angela Christison: Pork Sector Director (Until 2 December 2025)	**75-80**	80-85	**0.2**	0.4	**7**	8	**80-85**	90-95
Paul Flanagan: Dairy Sector Director	**110-115**	80-85	**0.7**	0.4	**11**	8	**120-125**	90-95
Mike Gooding Interim Cereal & Oilseeds Sector Director (From 13th March 2026)	**5-10**	-	**-**	-	**-**	-	**5-10**	-
Mark Haighton Pork Sector Director (From 29 September 2025)	**50-55**	-	**-**	-	**5**	-	**55-60**	-
Tony Holmes: Finance & Operations Director	**120-125**	115-120	**0.7**	0.5	**12**	11	**135-140**	125-130
Will Jackson: Market Development & Communications Director	**110-115**	115-120	**0.7**	0.5	**11**	11	**125-130**	130-135
Rebecca Loveday: Company Secretary & Governance Director (From 13 January 2025)	85-90	15-20	-	-	**9**	2	**95-100**	20-25
Sarah Woolford Cereal & Oilseeds Sector Director (From 9th Spetember 2024 Until 12 March 2026)	**115-120**	55-60	**-**	-	**8**	4	**125-130**	60-65

For 2025/26:
The full year equivalent base salary in this period is as follows: Helen Herniman £145k - £150k, Graham Wilkinson £155k - £160k, Janet Swadling £145k - £150k, Samantha Charlton £95k - £100k, Angela Christison £100k - £105k, Mike Gooding £95k - £100k, Mark Haighton £100k - £105k and Sarah Woolford £100k - £105k.

Car allowance figures have now been included in the Salary and allowances section, where in previous annual reports these sums were in the benefits in kind section. This is also the case for the 2024/25 figures.

Prior year disclosures relating to the HR director role may be found in the 2024/25 Annual Report and Accounts

For 2024/25:
The full-year equivalent salary in this period are as follows: Samantha Charlton £95k – £100k, Angela Christison £100k – £105k, Paul Flanagan £100k – £105k, Tony Holmes £110k - £115k, Rebecca Loveday £85k – £90k, Sarah Woolford £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 2026.

	Pension Scheme details	Employers contribution rate
Helen Herniman: Chief Executive Officer (from 5 January 2026)	AHDB Group Personal Pension Plan	10.0%
Janet Swadling: Chief Executive Officer (Until 16 January 2026)	AHDB Group Personal Pension Plan	10.0%
Graham Wilkinson: Chief Executive Officer (In role until 22 August 2025)	AHDB Group Personal Pension Plan	8.0%
Ken Boyns: Centre of Excellence Director (Sustainable Agriculture)	AHDB Group Personal Pension Plan	10.0%
Samantha Charlton: Beef & Lamb Sector Director (Until 12 December 2025)	AHDB Group Personal Pension Plan	10.0%
Angela Christison: Pork Sector Director (Until 02 December 2025)	AHDB Group Personal Pension Plan	10.0%
Paul Flanagan: Dairy Sector Director	AHDB Group Personal Pension Plan	10.0%
Mike Gooding Interim Cereal & Oilseeds Sector Director (From 13th March 2026)	AHDB Group Personal Pension Plan	10.0%
Mark Haighton Pork Sector Director (From 29 September 2025)	AHDB Group Personal Pension Plan	10.0%
Tony Holmes: Finance & Operations Director	AHDB Group Personal Pension Plan	10.0%
Will Jackson: Market Development & Communications Director	AHDB Group Personal Pension Plan	10.0%
Rebecca Loveday: Company Secretary & Governance Director	AHDB Group Personal Pension Plan	10.0%
Sarah Woolford Cereal & Oilseeds Sector Director (From 9th Spetember 2024 Until 12 March 2026)	AHDB Group Personal Pension Plan	8.0%

Prior year disclosures relating to the HR director role may be found in the 2024/25 Annual Report and Accounts

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 25th percentile, median, and 75th percentile remuneration of the organisation's workforce.

The annualised, banded remuneration, excluding pension benefit, of the highest-paid executive employed by AHDB at 31 March 2026 was £145k – £150k (31 March 2025, £155k – £160k), a 6.3% decrease compared to 31 March 2025.

The ratios between the mid-point of the banded remuneration (excluding pension benefits) of the highest-paid director at 31 March 2026 and the 25th percentile, median and 75th percentile for staff pay are as follows:

	25th Percentile	Median	75th Percentile
31st March 2026	**3.7 : 1**	**3 : 1**	**2.5 : 1**
31st March 2025	4.3 : 1	3.4 : 1	2.8 : 1

The 25th percentile, median, and 75th percentile for staff salaries and total pay and benefits (in £) are as follows:

	25th Percentile		Median		75th Percentile	
	31st March 2026	31st March 2025	**31st March 2026**	31st March 2025	**31st March 2026**	31st March 2025
Salary	**38,967**	36,000	**46,396**	42,717	**57,185**	54,672
Total Pay and Benefits	**39,779**	36,347	**49,334**	46,115	**59,304**	56,728

The reduction in all three ratios at 31 March 2026 compared to 31 March 2025 is largely a result of the change in the remuneration of the highest paid director, rather than there being any change to AHDB's employment models. AHDB considers the 31 March 2026 median pay ratio to be consistent with our pay, reward and progression policies, with pay structures and reviews applied consistently across all employees.

In 2025/26, no employees received remuneration in excess of the annualised amount paid to the Chief Executive. Remuneration during the year ranged from a minimum of £20k – £25k to a maximum of £145k – £150k (2024/25: £20k – £25k to £155k – £160k) and, when taken as a whole, employee salary and allowances increased by 5.7% in 2025/26 when compared to 3.8% during 2024/25.

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 2026. The 2025/26 figures include a total of £16k for related expenses (2024/25: £21k). No other cash or non-cash benefits were provided to AHDB Board members.

Board Member	Role(s)	**For the year ended 31-Mar-26 £'000**	For the year ended 31-Mar-25 £'000
Emily Norton	Chair of AHDB Board	**45-50**	-
Nicholas Saphir	Chair of AHDB Board, RemNom	**5-10**	55-60
Colin Bateman	Chair of Beef and Lamb Sector Council, RemNom	**25-30**	30-35
Stephen Briggs	Board Member of AHDB, ARAC	**25-30**	20-25
Tom Clarke	Chair of Cereals & Oilseeds Sector Council, RemNom	**20-25**	35-40
Lyndon Edwards	Chair of AHDB Dairy Sector Council, ARAC	**25-30**	30-35
Graeme Jack	Board Member of AHDB, RemNom	**10-15**	15-20
Dr Catherine MacKenzie	Board Member of AHDB, Chair of RemNom	**10-15**	10-15
Glen Nimmo	Chair of Pork Sector Council, ARAC	**20-25**	25-30
Sarah Pumfrett	Board Member of AHDB, Chair of ARAC	**10-15**	15-20
Mike Sheldon	Chair of AHDB Pork Sector Council, RemNom, MLC Pension Plan Trustee Director	**-**	0-5

"RemNom" indicates a member of the AHDB Remuneration and Nominations Committee.
"ARAC" indicates a member of the AHDB Audit and Risk Assurance Committee.

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

	Contract start date	Contract end date
Emily Norton: Chair of AHDB	1-June-25	31-May-28
Nicholas Saphir: Chair of AHDB	1-Apr-20	31-May-25
Colin Bateman: Chair of AHDB Beef and Lamb Sector Council	13-Sep-21	12-Mar-28
Stephen Briggs: Board Member of AHDB	13-Sep-21	12-Mar-28
Tom Clarke: Chair of AHDB Cereals and Oilseeds Sector Council	1-Apr-23	11-Dec-25
Lyndon Edwards: Chair of AHDB Dairy Sector Council	13-Sep-21	12-Mar-28
Graeme Jack: Board Member of AHDB	1-Apr-24	31-Mar-27
Dr Catherine MacKenzie: Board Member of AHDB	13-Sep-21	12-Mar-28
Glen Nimmo: Chair of AHDB Pork Sector Council	10-Apr-24	9-Apr-27
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

Staff report

AHDB is supported by a dedicated team of permanent staff.

Staff costs and average numbers (audited): For the year ended 31 March 2026, AHDB employed an average full-time equivalent (FTE) of 366 staff (357 in the previous year), five of which were funded through non-levy sources (none in 2024/25).

Our staff turnover (unaudited) ran at 16% (56 leavers), increased from 15% in the previous year (AHDB only).

Total staff costs for 2025/26 were £23.4 million (Restated 2024/25, £21.7 million). AHDB has used temporary agency staff resources of £15k in 2025/26 (2024/25, £2k). Further breakdown of staff costs is included in Note 3.

Staff composition: As at 31 March 2026, the gender split of the AHDB headcount of 364 was 239 (66%) females and 125 (34%) males (31 March 2025; 65% female, 35% male).

Of the 13 members of the Leadership team during the year, seven were male and six were female.

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

In the year ending 31 March 2026, total days lost through sickness was 1676 (2024/25: 2439). The days lost through sickness equated to 5.12 days per FTE (2024/25: 7.09 days), or 2.1% of total attendance (2024/25: 2.9%).

Human resources (HR) strategy: During 2025/26 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
- Promoting employee engagement by continuing to conduct regular engagement surveys
- Established our Employee Exchange Forum which meets quarterly and serves as our formal vehicle for engaging with employees on critical business issues, and ensures open two-way communication and that the views of our workforce are represented
- 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 received our Workplace Wellbeing award 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 2026, AHDB's mean gender pay gap was 13.38% and the median gender pay gap was 11.53% (31 March 2025: 15.21% and 7.65%, 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 full Gallup employee engagement survey was conducted in September 2025, and action plans put in place to address the results. These plans are reviewed regularly and in the light of subsequent 'pulse survey' results.

Consultants and off-payroll arrangements: AHDB spent £1k on the services of external consultants during 2025/26 (2024/25, £314k). See also the contractors section on page 22. Off-payroll engagements are set out on further down this page.

Compensation and exit packages agreed for the year to 31 March 2026 (audited)

	Number of compulsory redundancies		**Number of other departures agreed**		**Total number of exit packages by cost band**	
Exit packages cost band	**for the period ended 31 March 2026**	for the year ended 31 March 2025	**for the period ended 31 March 2026**	for the period ended 31 March 2025	**for the period ended 31 March 2026**	for the year ended 31 March 2025
< £10,000	-	-	1	1	1	1
£10,000 - £25,000	-	1	2	-	2	1
£25,000 - £50,000	-	-	-	-	-	-
£50,000 - £75,000	-	-	-	1	-	1
£75,000 - £150,000	-	-	-	-	-	-
Total number of exit packages	-	1	3	2	3	3
Total cost	**£ -**	£ 18,315	**£ 34,381**	£ 67,648	**£ 34,381**	£ 85,962

Any exit packages were in accordance with relevant pension scheme rules and contractual entitlements. One of the exit packages related to senior managers in the year ended 31 March 2026 and one in the year ended 31 March 2025.

Off-payroll engagements

Off-payroll engagements as of 31 March 2026, for more than £245 per day

	GROUP	AHDB
Number of existing engagements as of 31 March 2026	24	24
Of which…		
Number that have existed for less than one year at time of reporting	8	8
Number that have existed for between one and two years at time of reporting	5	5
Number that have existed for between two and three years at time of reporting	4	4
Number that have existed for between three and four years at time of reporting	2	2
Number that have existed for four or more years at time of reporting	5	5

All off-payroll engagements, between 1 April 2025 and 31 March 2026, for more than £245 per day

	GROUP	AHDB
Number of off-payroll workers engaged during the year ended 31 March 2026	90	90
Of which…		
Not subject to off-payroll legislation	44	44
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	46	46
Number of engagements reassessed for compliance or assurance purposes during the year	41	41
Of which: number of engagements that saw a change to IR35 status following review	-	-

The total number of individuals on-payroll that have been deemed "board members and/or senior officials with significant financial responsibility", during the financial year, was 23 (13 executives and 10 non-executive board members). This includes individuals who arrived in or left their posts during the financial year. None of these engagements were off-payroll.

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. During 2023/24 AHDB withdrew the benefit being offered to new employees.

AHDB incurred no losses totalling more than £300k in the year or gifts or special payments totalling more than £300k in the year. Note 17 to the Accounts details our contingent liabilities. There are no remote contingent liabilities.

Helen Herniman
Chief Executive and Accounting Officer
Agriculture and Horticulture Development Board

3 July 2026

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 2026 under the Agriculture and Horticulture Development Board Order 2008.

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

- Statements of Financial Position as at 31 March 2026;
- Statement of Comprehensive Net Expenditure, Statement of Cash Flows and Statement of Changes in Taxpayers' 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 2026 and its 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 issued thereunder.

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 (2024)*. 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 (2024)*. 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 its 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 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 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 by 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 regulations, 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;
- 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 the Agriculture and Horticulture Development Board Order 2008 and Managing Public Money;
- inquired of management, Agriculture and Horticulture Development Board's head of internal audit, AHDB's head of legal 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;
- discussed with the engagement 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 the Agriculture and Horticulture Development Board Order 2008, Managing Public Money, and relevant pensions 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 the Agriculture and Horticulture Development Board's in-house legal team 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 irregularities

I communicated relevant identified laws and regulations and potential risks of fraud to all engagement team members 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

3 July 2026

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

Financial statements 2025/26

Consolidated statement of comprehensive net expenditure
for the year ended 31 March 2026

	Note	**For the year ended 31-Mar-26 £'000**	For the year ended 31-Mar-25 £'000
Income			
Gross levy	2a	**49,395**	49,496
Non-levy sources	2a	**4,248**	2,623
Total income		**53,643**	52,119
Operating expenditure			
Levy collection			
Staff costs	2a, 3	**(181)**	(167)
Other costs	2a, 4	**(639)**	(786)
Core strategic activities			
Staff costs	2a, 3	**(22,402)**	(20,306)
Other costs	2a, 4	**(31,394)**	(31,426)
Current pension service and administration cost	3, 4, 18e	**(833)**	(634)
Total operating expenditure		**(55,449)**	(53,319)
Surplus/(deficit) on ordinary activities before interest and taxation		**(1,806)**	(1,200)
Interest receivable		**827**	1,107
Interest charges on lease liability	8b	**(75)**	(80)
Net interest relating to pension schemes	18e	**(200)**	(104)
Surplus/(deficit) on ordinary activities before taxation		**(1,254)**	(277)
Taxation	5	**(207)**	(277)
Surplus/(deficit) for the financial year		**(1,461)**	(554)
Other comprehensive income			
Net gain/(loss) on revaluation of pension assets and liabilities	18e	**2,608**	508
Total comprehensive income/(expenditure)		**1,147**	(46)

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. Reserves available for delivery activities, which are largely unaffected by pension scheme valuation movements, have decreased by £0.7 million in 2025/26 (2024/25: decrease of £0.7 million). Further information can be found in the Statement of Changes in Equity, Note 2a and (regarding pensions) Note 18.

Note 2
A separate AHDB statement of comprehensive income has not been produced as the subsidiary has no transactions during the year meaning the AHDB results are identical to the group. Subsidiaries as detailed in Note 9.

The notes on pages 47 to 80 are an integral part of these consolidated financial statements.

Consolidated statement of financial position
as at 31 March 2026

	Note	As at 31-Mar-26		As at 31-Mar-25	
		£'000	**£'000**	£'000	£'000
Non-current assets					
Property, plant and equipment	6	**55**		87	
Intangible assets	7	**4**		68	
Right of use assets	8	**1,798**		1,997	
Total non-current assets			**1,857**		2,152
Current assets					
Financial assets	10	**11,500**		13,000	
Trade and other receivables	11	**8,570**		9,061	
Cash at bank and in hand	12	**9,747**		9,420	
Total current assets			**29,817**		31,481
Total assets			**31,674**		33,633
Current liabilities					
Trade and other payables	13	**(6,239)**		(7,336)	
Lease liabilities	8	**(269)**		(276)	
Total current liabilities			**(6,508)**		(7,612)
Non-current assets plus net current assets			**25,166**		26,021
Non-current liabilities					
Lease liabilities	8	**(1,615)**		(1,817)	
Provisions	14	**(113)**		(113)	
Pension liability	18f	**-**		(1,800)	
Total non-current liabilities			**(1,728)**		(3,730)
Net assets			**23,438**		22,291
Reserves					
Accumulated funds		**23,438**		24,091	
Total pension reserve		**-**		(1,800)	
Total reserves			**23,438**		22,291

The notes on pages 47 to 80 are an integral part of these financial statements.

The financial statements on pages 42 to 46 were approved by the AHDB Board and signed on its behalf by:

Emily Norton
Chair

Helen Herniman
Chief Executive and Accounting Officer

3 July 2026

AHDB statement of financial position
as at 31 March 2026

	Note	As at 31-Mar-26		As at 31-Mar-25	
		£'000	**£'000**	£'000	£'000
Non-current assets					
Property, plant and equipment	6	**55**		87	
Intangible assets	7	**4**		68	
Right of use assets	8	**1,798**		1,997	
Investments	9	**514**		514	
Total non-current assets			**2,371**		2,666
Current assets					
Financial assets	10	**11,500**		13,000	
Trade and other receivables	11	**8,570**		9,061	
Cash at bank and in hand	12	**9,747**		9,420	
Total current assets			**29,817**		31,481
Total assets			**32,188**		34,147
Current liabilities					
Trade and other payables	13	**(6,753)**		(7,850)	
Lease liabilities	8	**(269)**		(276)	
Total current liabilities			**(7,022)**		(8,126)
Non-current assets plus net current assets			**25,166**		26,021
Non-current liabilities					
Lease liabilities	8	**(1,615)**		(1,817)	
Provisions	14	**(113)**		(113)	
Pension liability	18f	**-**		(1,800)	
Total non-current liabilities			**(1,728)**		(3,730)
Net assets			**23,438**		22,291
Reserves					
Accumulated funds		**23,438**		24,091	
Total pension reserve		**-**		(1,800)	
Total reserves			**23,438**		22,291

The notes on pages 47 to 80 are an integral part of these financial statements.

The financial statements on pages 42 to 46 were approved by the AHDB Board and signed on its behalf by:

Emily Norton
Chair

Helen Herniman
Chief Executive and Accounting Officer

3 July 2026

Consolidated cash flow statement
for the year ended 31 March 2026

	Note	**For the year ended 31-Mar-26 £'000**	For the year ended 31-Mar-25 £'000
Cash flows from operating activities			
Surplus/(deficit) on ordinary continued activities before taxation	2a	**(1,254)**	(277)
Surplus/(deficit) on discontinued activities before taxation	2a		
Adjustments for:			
Interest received		**(938)**	(1,253)
Depreciation and amortisation	6, 7 & 8	**409**	532
Defined benefit pension costs	18e	**833**	634
Other finance income	18e	**200**	104
Receipts from sale of assets property, plant & equipment		**(2)**	-
(Increase)/decrease in trade and other receivables	11	**491**	(1,900)
Increase/(decrease) in trade and other payables	13	**(1,097)**	1,743
(Increase)/decrease in payables relating to capital		**-**	-
Net provisions created / (written back)	14	**-**	(34)
Lease liability interest	8	**75**	80
Tax charge	5	**(207)**	(277)
Defined benefit scheme pension contributions paid	18f	**(225)**	(918)
Cash inflows/(outflows) from operating activities		**(1,715)**	(1,566)
Cash flows from investing activities			
Interest received		**938**	1,253
Payments to acquire property, plant and equipment	6	**(36)**	-
Deposits with maturities greater than three months	10	**(4,500)**	(13,000)
Withdrawals with maturities greater than three months	10	**6,000**	18,000
Receipts from sale of assets property, plant & equipment		**2**	-
Cash inflows/(outflows) from investing activities		**2,404**	6,253
Cash flow from financing activities			
Lease liability payments	8	**(362)**	(331)
Cash inflows/(outflows) from financing activities		**(362)**	(331)
Net Increase/(decrease) in cash and cash equivalents in the period		**327**	4,356
Cash & cash equivalents at the beginning of the period		**9,420**	5,064
Cash & cash equivalents at the end of the period	12	**9,747**	9,420

Note1
A separate AHDB cash flow statement has not been produced as the subsidiary has no transactions during the year meaning the AHDB results are identical to the group. Subsidiaries as detailed in Note 9.

The notes on pages 47 to 80 are an integral part of these financial statements.

Consolidated statement of changes in equity
for the year ended 31 March 2026

	Note	Accumulated reserve £'000	NCI reserve £'000	Pension reserve £'000	Revaluation reserve £'000	Total reserves £'000
Balance at 1 April 2024		24,825	-	(2,488)	-	22,337
Surplus/(Deficit) relating to AHDB Activity	2b	(554)	-	-	-	(554)
Pension gain/(loss)	18e	-	-	508	-	508
Movement in revaluation reserve		(180)	-	180	-	-
Balance as at 31 March 2025		**24,091**	**-**	**(1,800)**	**-**	**22,291**
Surplus/(Deficit) relating to AHDB Activity	2a	(1,461)	-	-	-	(1,461)
Pension gain/(loss)	18e	-	-	2,608	-	2,608
Transfers from pensions reserve		808	-	(808)	-	-
Balance as at 31 March 2026		**23,438**	**-**	**-**	**-**	**23,438**

Reserves are allocated to the reporting segments as detailed below:

AHDB Cereals & Oilseeds		3,868	-	-	-	3,868
AHDB Dairy		4,459	-	-	-	4,459
AHDB Pork		5,643	-	-	-	5,643
AHDB Beef & Lamb		6,046	-	-	-	6,046
AHDB Potatoes		1,448	-	-	-	1,448
AHDB Horticulture		1,974	-	-	-	1,974
Total		**23,438**	**-**	**-**	**-**	**23,438**

Note 1
A separate AHDB statement of changes in equity has not been produced as the subsidiary has no transactions during the year meaning the AHDB results are identical to the group. Subsidiaries as detailed in Note 9.

The notes on pages 47 to 80 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 (FReM) and any other applicable guidance issued by HM Treasury. The accounting policies contained in the FReM apply International Financial Reporting Standards (IFRS), as adapted, or interpreted for the public sector.

Where the FReM permits a choice of accounting policy, the accounting policy that is judged to be most appropriate to the particular circumstances for the purpose of giving a true and fair view has been selected. 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 FReM.

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:

> IFRS 17 *Insurance Contracts* is effective for the public sector from 1 April 2025. The standard replaces IFRS 4 and introduces a new model for the recognition and measurement of insurance contracts. The scope of this new standard does not include AHDB activity and, as such, has no direct impact on the AHDB financial statements.
>
> The FReM has been amended for 2025/26 to withdraw the revaluation model for intangible assets under IAS 38. From 1 April 2025, AHDB has adopted the cost model for all intangible assets. This change has been applied prospectively and has no material impact on the financial statements.
>
> IFRS 18 *Presentation and Disclosure in Financial Statements* will replace IAS 1 *Presentation and Disclosure in Financial Statements* and is effective for reporting periods beginning on or after 1 January 2027 in the private sector. IFRS 19 *Subsidiaries without public accountability: disclosures* allows eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements and is effective for annual reporting periods beginning on or after the 1 January 2027 in the private sector. The impact of IFRS 18 and IFRS 19 on the public sector is still being assessed, and a decision has not yet been taken on any implementation dates.

Going concern

AHDB considers the going concern basis appropriate, following the FReM interpretation of IAS 1, 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 expected signing of the 2025/26 accounts, including the ability to support the payment of grants to third parties.
- 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, for example 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 2025/26, AHDB Services Limited) and are prepared in accordance with FReM. If 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.

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 *Operating Segments*. 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, and AHDB Horticulture.

The Horticulture and Potatoes sectors have wound down operations during the reported periods 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 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 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 and 2b.

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 completed and available to be brought into service.

Property, plant and equipment

Property, plan 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. Thereafter, assets held for their operational capacity are carried at current value in existing use. Land and buildings are stated at their fair value, based on a quinquennial professional valuation, supplemented by annual indexation in intervening years. All non-property assets are considered 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 are valued 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 FReM, 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. 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.

The FReM has been amended for 2025/26 to withdraw the revaluation model for intangible assets under IAS 38. From 1 April 2025, AHDB has adopted the cost model for all intangible assets. This change has been applied prospectively and has no material impact on the Statement of Financial Position or Statement of Consolidated Net Expenditure.

Depreciation and amortisation

Depreciation and amortisation is calculated so as to write off the cost or valuation of fixed assets, less 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.

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.

Leases

AHDB adopted IFRS 16 from 1 April 2022. Upon transition, AHDB adopted the modified retrospective approach and applied the available practical expedients as directed by the FReM.

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 its 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.

Notes to the financial statements

1. Principal accounting policies (continued)

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 has applied the recognition and measurement exemption for short-term leases in accordance with IFRS 16 paragraphs 6-8. AHDB has 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 has adopted a £10,000 threshold

As permitted by the FReM, 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 FReM.

The initial lease liability is calculated by reference to the remaining lease payments discounted at an appropriate rate at the date of initial application. Where the interest rate implicit in the lease is not readily determinable the HM Treasury discount rates promulgated in Public Expenditure System papers are used as the incremental borrowing rate. 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.

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.

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.

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 3 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 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.

Notes to the financial statements

1. Principal accounting policies (continued)

Pensions

Defined contribution scheme

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

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. Actuarial gains and losses are recognised in other comprehensive income. The resulting defined benefit asset and liability are shown gross in the notes to the financial statements. Current service cost is recognised in operating costs in the period in which the defined benefit obligation increases as a result of employee services. 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.

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 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 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.

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 only, respectively, 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.

Notes to the financial statements

1. Principal accounting policies (continued)

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. 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 and so a buyer must deduct all the levy from the price paid to the grower and hold it on trust, 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 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. 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 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 and Potato levies

2021/22 was the final year the Horticulture and Potatoes statutory levies 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.

Notes to the financial statements

1. Principal accounting policies (continued)

Income recognition (continued)

The mechanism agreed 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 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 and 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 each sector.

The following options are considered when setting the minimum reserves threshold for each sector so it is the higher value of:

- 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 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.

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 HCP Ltd to continue EMAUs and EA services, following the winding down of the sector. A - 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 the first payment transfer dated 14 April 2023. As a result of that grant ending with remaining reserves available, a further grant application for £1.9m was made to Defra and approval was granted on 19 March 2026. The original grant has been treated as a financial commitment, with the further grant expected to become a commitment on signing of the grant agreement in 2026/27.

Potatoes

A business case proposal to make a grant of up to £1.8m over five years 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. A subsequent grant agreement was signed by AHDB and GB Potatoes Organisation Limited on 2 October 2024 with the first transfer of £510k made on 18 October 2024. The grant has been treated as a financial commitment.

Notes to the financial statements

2a. Analysis of income and expenditure by segment: Actual for the year ended 31 March 2026

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 sudsidiary.

	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**	AHDB Services Limited £'000	**AHDB Group total £'000**
Income											
Gross levy	11,607	10,435	10,714	19,926	**52,682**	-	-	**-**	**52,682**	-	**52,682**
Levy repatriation	-	-	(708)	(2,579)	**(3,287)**	-	-	**-**	**(3,287)**	-	**(3,287)**
Subtotal levy sources	11,607	10,435	10,006	17,347	**49,395**	-	-	**-**	**49,395**	-	**49,395**
Non-levy sources:											
Fee and grant income	396	1,989	767	1,085	**4,237**	-	11	**11**	**4,248**	-	**4,248**
EU grant income	-	-	-	-	**-**	-	-	**-**	**-**	-	**-**
Subtotal non-levy sources	396	1,989	767	1,085	4,237	-	11	11	**4,248**	-	**4,248**
Total income	**12,003**	**12,424**	**10,773**	**18,432**	**53,632**	**-**	**11**	**11**	**53,643**	**-**	**53,643**
Operating expenditure											
Levy collection	(369)	(43)	(149)	(259)	**(820)**	-	(0)	**(0)**	**(820)**	-	**(820)**
Core strategic activities:											
Data Programmes	(10)	(276)	(397)	(343)	**(1,026)**	-	-	**-**	**(1,026)**	-	**(1,026)**
Environment & Farming Systems	(5,621)	(2,840)	(1,246)	(2,935)	**(12,642)**	-	(3)	**(3)**	**(12,645)**	-	**(12,645)**
Evaluation, Economics & Analysis	(1,391)	(1,074)	(1,264)	(1,567)	**(5,296)**	-	-	**-**	**(5,296)**	-	**(5,296)**
Marketing, Education & Nutrition	(34)	(2,076)	(3,434)	(4,467)	**(10,011)**	-	-	**-**	**(10,011)**	-	**(10,011)**
International Trade Development	10	(1,304)	(1,317)	(3,241)	**(5,852)**	10	10	**20**	**(5,832)**	-	**(5,832)**
Communications	(1,069)	(1,196)	(1,002)	(1,595)	**(4,862)**	-	-	**-**	**(4,862)**	-	**(4,862)**
Engagement	(1,650)	(1,768)	(615)	(1,378)	**(5,411)**	-	-	**-**	**(5,411)**	-	**(5,411)**
Digital, Data & Technology	(583)	(429)	(370)	(822)	**(2,204)**	-	-	**-**	**(2,204)**	-	**(2,204)**
Support and other expenditure	(1,718)	(1,175)	(1,160)	(2,190)	**(6,243)**	(21)	(245)	**(266)**	**(6,509)**	-	**(6,509)**
Subtotal core strategic activities:	(12,066)	(12,138)	(10,805)	(18,538)	**(53,547)**	(11)	(238)	**(249)**	**(53,796)**	-	**(53,796)**
Current pension service cost	(33)	-	(267)	(533)	**(833)**	-	-	**-**	**(833)**	-	**(833)**
Total operating expenditure	**(12,468)**	**(12,181)**	**(11,221)**	**(19,330)**	**(55,200)**	**(11)**	**(238)**	**(249)**	**(55,449)**	**-**	**(55,449)**

Support and other expenditure includes the cost of central functions – such as Finance, HR and Information Systems – the cost of the AHDB Board 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 2026 (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 Group Total £'000**	AHDB Services Limited £'000	**AHDB Group total £'000**
Surplus/(deficit) on ordinary activities before interest and taxation	(465)	243	(448)	(898)	**(1,568)**	(11)	(227)	**(238)**	**(1,806)**	-	**(1,806)**
Interest receivable	146	142	198	221	**707**	48	72	**120**	**827**	-	**827**
Interest charges on Right of Use Assets	(18)	(15)	(15)	(27)	**(75)**	-	-	**-**	**(75)**	-	**(75)**
Other finance income/expenditure	-	-	(67)	(133)	**(200)**	-	-	**-**	**(200)**	-	**(200)**
Surplus/(deficit) on ordinary activities before taxation	(337)	370	(332)	(837)	**(1,136)**	37	(155)	**(118)**	**(1,254)**	-	**(1,254)**
Taxation	(36)	(36)	(50)	(55)	**(177)**	(12)	(18)	**(30)**	**(207)**	-	**(207)**
Surplus/(deficit) for the financial year	**(373)**	**334**	**(382)**	**(892)**	**(1,313)**	**25**	**(173)**	**(148)**	**(1,461)**	**-**	**(1,461)**
Net gain/(loss) on revaluation of pension assets and liabilities	8	-	867	1,733	**2,608**	-	-	**-**	**2,608**	-	**2,608**
Total comprehensive income/(expenditure)	**(365)**	**334**	**485**	**841**	**1,295**	**25**	**(173)**	**(148)**	**1,147**	**-**	**1,147**

AHDB parent figures

AHDB has not produced a separate parent statement of comprehensive income, as the subsidiary has no transactions during the year. Subsidiaries as detailed in Note 9. Assets and liabilities are not separately reported by sector.

Underlying surplus/(deficit)

The above includes the movements on pension scheme assets and liabilities 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**	**AHDB Group Total £'000**	AHDB Services Limited £'000	**AHDB Group total £'000**
Total comprehensive income/(expenditure)	(365)	334	485	841	**1,295**	25	(173)	**(148)**	**1,147**	-	**1,147**
Movement on Pension Asset/Liability	-	-	(600)	(1,200)	(1,800)	-	-	-	**(1,800)**	-	**(1,800)**
Underlying surplus/(deficit) for the financial year	**(365)**	**334**	**(115)**	**(359)**	**(505)**	**25**	**(173)**	**(148)**	**(653)**	**-**	**(653)**

Notes to the financial statements

2b. Analysis of income and expenditure by segment: Actual for the year ended 31 March 2025

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.

	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 Group Total £'000**
Income									
Gross levy	11,859	10,056	10,552	20,185	**52,652**	-	-	**-**	**52,652**
Levy repatriation	-	-	(472)	(2,684)	**(3,156)**	-	-	**-**	**(3,156)**
Subtotal levy sources	11,859	10,056	10,080	17,501	**49,496**	-	-	**-**	**49,496**
Non-levy sources:									
Fee and grant income	245	971	644	759	**2,619**	-	1	**1**	**2,620**
EU grant income	3	-	-	-	**3**	-	-	**-**	**3**
Subtotal non-levy sources	248	971	644	759	2,622	-	1	1	**2,623**
Total income	**12,107**	**11,027**	**10,724**	**18,260**	**52,118**	**-**	**1**	**1**	**52,119**
Operating expenditure									
Levy collection	(533)	(41)	(141)	(241)	**(956)**	3	0	**3**	**(953)**
Core strategic activities:									
Data Programmes	(41)	(155)	(324)	(295)	**(815)**	-	-	**-**	**(815)**
Environment & Farming Systems	(5,314)	(1,836)	(845)	(2,094)	**(10,089)**	(4)	(68)	**(72)**	**(10,161)**
Evaluation, Economics & Analysis	(1,322)	(1,106)	(1,263)	(1,515)	**(5,206)**	-	-	**-**	**(5,206)**
Marketing, Education & Nutrition	(42)	(2,222)	(3,112)	(4,817)	**(10,193)**	-	-	**-**	**(10,193)**
International Trade Development	8	(980)	(1,316)	(3,733)	**(6,021)**	10	10	**20**	**(6,001)**
Communications	(1,663)	(1,455)	(1,127)	(1,953)	**(6,198)**	(2)	(1)	**(3)**	**(6,201)**
Engagement	(1,092)	(1,020)	(343)	(971)	**(3,426)**	-	(1)	**(1)**	**(3,427)**
Digital, Data & Technology	(625)	(430)	(351)	(801)	**(2,207)**	-	-	**-**	**(2,207)**
Support and other expenditure	(1,822)	(1,325)	(1,317)	(2,100)	**(6,564)**	(522)	(435)	**(957)**	**(7,521)**
Subtotal core strategic activities:	(11,913)	(10,529)	(9,998)	(18,279)	**(50,719)**	(518)	(495)	**(1,013)**	**(51,732)**
Current pension service cost	(34)	-	(200)	(400)	**(634)**	-	-	**-**	**(634)**
Total operating expenditure	**(12,480)**	**(10,570)**	**(10,339)**	**(18,920)**	**(52,309)**	**(515)**	**(495)**	**(1,010)**	**(53,319)**

Support and other expenditure includes the cost of central functions – such as Finance, HR and Information Systems – the cost of the AHDB Board 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 2025 (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 Group Total £'000**
Surplus/(deficit) on ordinary activities before interest and taxation	(373)	457	385	(660)	**(191)**	(515)	(494)	**(1,009)**	**(1,200)**
Interest receivable	222	170	250	330	**972**	57	78	**135**	**1,107**
Interest charges on Right of Use Assets	(20)	(16)	(16)	(28)	**(80)**	-	-	**-**	**(80)**
Other finance income/expenditure	(4)	-	(33)	(67)	**(104)**	-	-	**-**	**(104)**
Surplus/(deficit) on ordinary activities before taxation	(175)	611	586	(425)	**597**	(458)	(416)	**(874)**	**(277)**
Taxation	(56)	(42)	(63)	(83)	**(244)**	(14)	(19)	**(33)**	**(277)**
Surplus/(deficit) for the financial year	**(231)**	**569**	**523**	**(508)**	**353**	**(472)**	**(435)**	**(907)**	**(554)**
Net gain/(loss) on revaluation of pension assets and liabilities	8	-	167	333	**508**	-	-	**-**	**508**
Total comprehensive income/(expenditure)	**(223)**	**569**	**690**	**(175)**	**861**	**(472)**	**(435)**	**(907)**	**(46)**

AHDB parent figures

AHDB has not produced a separate parent statement of comprehensive income, as the subsidiary has no transactions during the year. Subsidiaries as detailed in Note 9. Assets and liabilities are not separately reported by sector.

Underlying surplus/(deficit)

The above includes the movements on pension scheme assets and liabilities 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**	**AHDB Group Total £'000**
Total comprehensive income/(expenditure)	(223)	569	690	(175)	**861**	(472)	(435)	**(907)**	**(46)**
Movement on Pension Asset/Liability	(188)	-	(167)	(333)	(688)	-	-	-	**(688)**
Underlying surplus/(deficit) for the financial year	**(411)**	**569**	**523**	**(508)**	**173**	**(472)**	**(435)**	**(907)**	**(734)**

Notes to the financial statements

3. Staff numbers and related costs

	For the period ended 31 March 2026			For the year ended 31 March 2025		
	Staff with a permanent (UK) employment contract	**Other staff engaged on the objectives of AHDB**	**Total staff**	Restated Staff with a permanent (UK) employment contract	Other staff engaged on the objectives of AHDB	Restated Total staff
Numbers employed The average full-time equivalent numbers employed by AHDB during the year, were:						
AHDB activities – Non-levy-dependent	**5**	**-**	**5**	-	-	-
AHDB activities – Levy-dependent	**361**	**-**	**361**	357	-	357
Total	**366**	**-**	**366**	357	-	357
Staff costs - AHDB	**£'000**	**£'000**	**£'000**	£'000	£'000	£'000
Salaries	**18,469**	**15**	**18,484**	17,569	2	17,571
Social security costs	**2,514**	**-**	**2,514**	2,031	-	2,031
Defined contribution scheme costs	**1,585**	**-**	**1,585**	1,503	-	1,503
	22,568	**15**	**22,583**	21,103	2	21,105
Staff costs - closed pension schemes Defined benefit scheme current service and admin costs (Note 18e)	**833**	**-**	**833**	634	-	634
Total staff costs	**23,401**	**15**	**23,416**	**21,737**	**2**	**21,739**

"Salaries" for the year ending 31 March 2025 have been restated to include car allowances where applicable. More staff details are provided in the "Remuneration and staff report" within the Accountability Report.

Notes to the financial statements

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

	Group As at 31-Mar-26 £'000	AHDB As at 31-Mar-26 £'000	Group Restated As at 31-Mar-25 £'000	AHDB Restated As at 31-Mar-25 £'000
Surplus/(deficit) on ordinary activities before interest and taxation is stated after charging/(crediting)				
Income	**53,643**	**53,643**	52,119	52,119
Expenditure				
Staff Costs	**(22,583)**	**(22,583)**	(21,105)	(21,105)
Staff Related Costs	**(2,188)**	**(2,188)**	(2,064)	(2,064)
Defined Benefit Pension Costs	**(833)**	**(833)**	(634)	(634)
Rent & Service Charges	**(84)**	**(84)**	(82)	(82)
Vehicle leases	**(6)**	**(6)**	(16)	(16)
Hire of equipment	**(7)**	**(7)**	(10)	(10)
Building Costs	**(650)**	**(650)**	(683)	(683)
Information Technology	**(1,600)**	**(1,600)**	(1,447)	(1,447)
Subscriptions & Books	**(759)**	**(759)**	(535)	(535)
Legal & Professional Services	**(576)**	**(576)**	(835)	(835)
Sub Contracted Services	**(8,883)**	**(8,883)**	(7,109)	(7,109)
Audit remuneration and expenses	**(149)**	**(149)**	(140)	(140)
Other Charges	**(11)**	**(11)**	(14)	(14)
Collection and Commission	**(601)**	**(601)**	(759)	(759)
Research and development and knowledge exchange	**(237)**	**(237)**	(243)	(243)
Marketing	**(12,443)**	**(12,443)**	(13,565)	(13,565)
Communication	**(583)**	**(583)**	(635)	(635)
Shows & Events	**(2,586)**	**(2,586)**	(2,837)	(2,837)
Other Non Operating	**30**	**30**	(34)	(34)
Non-cash items:				
Depreciation and amortisation	**(409)**	**(409)**	(532)	(532)
Movement in expected credit losses	**(291)**	**(291)**	(40)	(40)
Total Expenditure	**(55,449)**	**(55,449)**	(53,319)	(53,319)
Surplus/(deficit) on ordinary activities before interest and taxation	**(1,806)**	**(1,806)**	(1,200)	(1,200)

The audit fee for AHDB is £149,000 (2024/25: £139,500). Other non-operating includes the costs of restructuring and redundancy.

Staff costs and staff-related costs as at 31 March 2025 have been restated to reflect the movement of car allowances from “staff related” to “staff cost”.

Notes to the financial statements

5. Taxation

	For the year ended 31-Mar-26 £'000	For the year ended 31-Mar-25 £'000
Current tax		
UK corporation tax on interest income for the period	**207**	277
Current tax charge for the year	**207**	277

The tax on commercial profits assessed for the year differs from the standard rate of corporation tax in the UK of 25% (2024/25: 25%). The differences are explained in the next table.

	For the year ended 31-Mar-26 £'000	For the year ended 31-Mar-25 £'000
Statutory Activities not subject to corporation tax		
Income not chargeable for taxation purposes	**53,643**	52,119
Expenditure not deductible for taxation purposes	**(55,724)**	(53,503)
Surplus/(deficit) on statutory activities before taxation	**(2,081)**	(1,384)
Subject to corporation tax		
Interest receivable	**827**	1,106
Surplus/(deficit) on ordinary activities before taxation	**(1,254)**	(278)
Standard rate of corporation tax in the UK of 25% (2023/24 25%) on interest receivable	**207**	277
Current tax charge for the year	**207**	277

HMRC has 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 it 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 2024	43	307	41	391
Adjustment	-	(2)	-	(2)
As at 31 March 2025	43	305	41	389
As at 1 April 2025	43	305	41	389
Additions	-	36	-	36
Disposals	-	(135)	(41)	(176)
as at 31 March 2026	**43**	**206**	**-**	**249**
Depreciation				
As at 1 April 2024	(9)	(192)	(38)	(239)
Charge for year	(8)	(57)	(1)	(66)
Adjustment	-	3	-	3
As at 31 March 2025	(17)	(246)	(39)	(302)
As at 1 April 2025	(17)	(246)	(39)	(302)
Charge for year	(9)	(57)	(1)	(67)
Disposal	-	135	40	175
as at 31 March 2026	**(26)**	**(168)**	**-**	**(194)**
Net book value as at 31 March 2026	**17**	**38**	**-**	**55**
Net book value as at 31 March 2025	26	59	2	87

Note 1
A separate AHDB property, plant and equipment note not been produced as the subsidiary has no transactions during the year meaning the AHDB results are identical to the group. Subsidiaries as detailed in Note 9.

Notes to the financial statements

7. Intangible assets

Group	Software Licence £'000	Software Development £'000	Total £'000
Cost or valuation			
As at 1 April 2024	200	292	492
As at 31 March 2025	200	292	492
As at 1 April 2025	200	292	492
as at 31 March 2026	**200**	**292**	**492**
Amortisation			
As at 1 April 2024	(121)	(129)	(250)
Charge for year	(38)	(136)	(174)
As at 31 March 2025	(159)	(265)	(424)
As at 1 April 2025	(159)	(265)	(424)
Charge for year	(37)	(27)	(64)
as at 31 March 2026	**(196)**	**(292)**	**(488)**
Net book value as at 31 March 2026	**4**	**-**	**4**
Net book value as at 31 March 2025	41	27	68

Note 1
A separate AHDB intangible assets note not been produced as the subsidiary has no transactions during the year meaning the AHDB results are identical to the group. Subsidiaries as detailed in Note 9.

Notes to the financial statements

8. Right-of-use assets

8a. 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 it 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 2024	2,624	24	2,648
Additions	75	-	75
Break Notice Exercised	(113)	-	(113)
Disposals	-	(11)	(11)
As at 31 March 2025	2,586	13	2,599
As at 1 April 2025	2,586	13	2,599
Addition	64	14	78
Disposal	(70)	-	(70)
Lease Modification		1	1
as at 31 March 2026	**2,580**	**28**	**2,608**
Depreciation			
As at 1 April 2024	(310)	(11)	(321)
Charge in year	(284)	(8)	(292)
Disposals	-	11	11
As at 31 March 2025	(594)	(8)	(602)
As at 1 April 2025	(594)	(8)	(602)
Charge in year	(273)	(5)	(278)
Disposals	70	-	70
as at 31 March 2026	**(797)**	**(13)**	**(810)**
Carrying amount as at 31 March 2026	**1,783**	**15**	**1,798**
Carrying amount as at 31 March 2025	1,992	5	1,997

Notes to the financial statements

8. Right-of-use assets (continued)

8b. Lease liabilities

	Property £'000	Motor Vehicles £'000	Total £'000
As At 1 April 2024	2,373	13	2,386
In year additions	71	-	71
In year disposals	(113)	-	(113)
Lease liability interest	79	1	80
Lease liability payments	(326)	(5)	(331)
Carrying amount as at 31 March 2025	2,084	9	2,093
As At 1 April 2025	2,084	9	2,093
In year additions	64	14	78
In year disposals		-	-
Lease liability interest	74	1	75
Lease liability payments	(353)	(9)	(362)
Carrying amount as at 31 March 2026	**1,869**	**15**	**1,884**

	As at 31-Mar-26 £'000	As at 31-Mar-25 £'000
Obligations under leases recognised in the SoFP for the following periods comprise:		
Buildings		
Within one year	329	338
Between two and five years	1,217	1,193
Over five years	584	882
Less interest element	(261)	(329)
Present Value of obligations	**1,869**	2,084
Motor vehicles		
Within one year	**8**	10
Between two and five years	**9**	-
Over five years	**-**	-
Less interest element	**(2)**	(1)
Present Value of obligations	**15**	9

Notes to the financial statements

8. Right-of-use assets (continued)

8c. Elements in the Statement of Comprehensive Net Expenditure

	As at 31-Mar-26 £'000	As at 31-Mar-25 £'000
Variable lease payments not included in lease liabilities		
Sub-leasing income	**-**	-
Expenses related to short-term leases	**6**	16
Expenses related to low-value asset leases (excluding short-term leases)	**5**	5

AHDB has 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.

8d. Cash outflow for leases

	As at 31-Mar-26 £'000	As at 31-Mar-25 £'000
Total cash outflow for leases	**362**	331

9. Investments

Sutton Bridge Experimental Unit Limited

Sutton Bridge Experimental Unit Limited (SBEU) is a company limited by shares, with AHDB holding 7,749 (2024/25: 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 2026 (2024/25: 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 2026/27 with the equity returning to its sole shareholder, AHDB.

	Group As at 31-Mar-26 £'000	**AHDB As at 31-Mar-26 £'000**	Group As at 31-Mar-25 £'000	AHDB As at 31-Mar-25 £'000
AHDB investment in SBEU	**-**	**514**	-	514

Other subsidiary undertakings

AHDB Services Limited

AHDB Services Limited is a company limited by guarantee without share capital. AHDB Services Limited was incorporated on 28 May 2025; the first accounting period was from 28 May 2025 to 31 March 2026. The company has no recorded transactions for 2025/26.

10. Financial assets

	Group As at 31-Mar-26 £'000	**AHDB As at 31-Mar-26 £'000**	Group As at 31-Mar-25 £'000	AHDB As at 31-Mar-25 £'000
Barclay Bank Treasury Deposits	**11,500**	**11,500**	13,000	13,000

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

11. Trade and other receivables

	Group As at 31-Mar-26 £'000	AHDB As at 31-Mar-26 £'000	Group As at 31-Mar-25 £'000	AHDB As at 31-Mar-25 £'000
Amounts falling due within one year				
Levy income receivable	**3,423**	**3,423**	3,234	3,234
Receivables for fee and other income	**257**	**257**	213	213
Expected credit loss	**(195)**	**(195)**	(20)	(20)
Prepayments	**1,391**	**1,391**	1,328	1,328
Accrued income	**3,460**	**3,460**	3,706	3,706
Other Debtors	**73**	**73**	2	2
Balances with central government bodies	**161**	**161**	598	598
Total amounts falling due within one year	**8,570**	**8,570**	9,061	9,061

Receivables past due	Group As at 31-Mar-26 £'000	AHDB As at 31-Mar-26 £'000	Group As at 31-Mar-25 £'000	AHDB As at 31-Mar-25 £'000
Up to 3 months past due	**531**	**531**	581	581
3 to 6 months past due	**120**	**120**	9	9
Over 6 months past due	**80**	**80**	6	6
	731	**731**	596	596

Group trade and other receivables at 31 March 2026 were £8.6 million compared to 31 March 2025 of £9.1 million which is a decrease of £0.5 million.

Levy income receivable is £0.2 million more than March 2025. This is driven by a number of factors, including receipt of levy returns and settlement of debt.

Accrued income is £0.2 million less than March 2025 mainly driven by a reduction in funds invested in Treasury Deposits at 31 March 2026.

Balances with central government bodies has decreased by £0.4 million, Defra contributing to the Baselining project completed in 2025/26 with no outstanding receivables at 31 March 2026.

Notes to the financial statements

12. Cash and cash equivalents

	Group 31-Mar-26 £'000	**AHDB 31-Mar-26 £'000**	Group 31-Mar-25 £'000	AHDB 31-Mar-25 £'000
Balance at 1 April prior year	**9,420**	**9,420**	5,064	5,064
Net change in cash and cash equivalents	**327**	**327**	4,356	4,356
Balance at 31 March	**9,747**	**9,747**	9,420	9,420
Balances at 31 March were:				
Short term investment	**8,650**	**8,650**	8,200	8,200
Commercial banks and cash in hand	**1,097**	**1,097**	1,220	1,220
Balance at 31 March	**9,747**	**9,747**	9,420	9,420

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.

13. Trade and other payables

	Group As at 31-Mar-26 £’000	**AHDB As at 31-Mar-26 £’000**	Group As at 31-Mar-25 £’000	AHDB As at 31-Mar-25 £’000
Amounts falling due within one year				
Trade payables	**1,636**	**1,636**	1,907	1,907
Accruals	**2,471**	**2,471**	3,217	3,217
Deferred income	**132**	**132**	533	533
Other payables	**385**	**385**	395	395
Corporation tax	**207**	**207**	276	276
VAT	**232**	**232**	365	365
Other taxation and social security	**607**	**607**	543	543
Amounts owed to subsidiary undertakings	**-**	**514**	-	514
Pig Industry Development Scheme Fund	**81**	**81**	79	79
Other Defra Bodies	**488**	**488**	21	21
Total amounts falling due within one year	**6,239**	**6,753**	7,336	7,850
Intragovernment balances				
Balances with central government bodies	1,534	1,534	1,205	1,205

Group trade and other payables at 31 March 2026 were £6.2 million compared to 31 March 2025 of £7.3 million which is a decrease of £1.1 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 2026 there is a decrease of £0.3 million, mainly driven by one supplier for a TV advertising campaign that had a material unpaid balance at 31 March 2025.

Accruals have decreased by £0.7 million compared to March 2025. Accruals will fluctuate due to the timing of receipt and approval of invoices and the start and end dates of project.

Deferred income at March 2026 is £0.4 million less than March 2025; there is £0.4m of deferred income reported against other Defra bodies.

Notes to the financial statements

14. Provisions

AHDB	Early Departures £'000	Other Provisions £'000	Dilapidations £'000	Total £'000
As at 1 April 2024	16	21	110	147
Provided in the year	-	-	3	3
Provisions not required, written back	(16)	(21)	-	(37)
As at 31 March 2025	-	-	113	113
As at 1 April 2025	**-**	**-**	**113**	113
Provided in the year	**-**	**-**	**-**	-
Provisions not required, written back	**-**	**-**	**-**	-
As at 31 March 2026	**-**	**-**	**113**	**113**

15. Financial commitments

	Group As at 31-Mar-26 £'000	**AHDB As at 31-Mar-26 £'000**	Group As at 31-Mar-25 £'000	AHDB As at 31-Mar-25 £'000
Approved research projects and grants				
Within one year	**466**	**466**	688	688
Thereafter	**396**	**396**	396	396
	862	**862**	1,084	1,084
Equipment				
Within one year	**7**	**7**	5	5
Between two and five years	**5**	**5**	4	4
	12	**12**	9	9

Notes to the financial statements

16. 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 18 has more information related to pensions.

	Group As at 31-Mar-26 £'000	**Group As at 31-Mar-26 £'000**	Group As at 31-Mar-25 £'000	Group As at 31-Mar-25 £'000
	Financial assets at amortised cost	**Financial liabilities at amortised cost**	Financial assets at amortised cost	Financial liabilities at amortised cost
Financial Asset	**11,500**		13,000	
Trade receivables				
Levy receivable	**3,423**		3,234	
Receivables for fees	**257**		213	
Accrued income	**3,460**		3,706	
Intragovernment balances	**161**		598	
Receivables due greater than one year	**-**		-	
Other	**73**		2	
Cash and equivalents	**9,747**		9,420	
Trade and other payables				
Trade payables		**1,636**		1,907
Accruals		**2,471**		3,217
Pig Industry Development Scheme Fund		**81**		79
Intragovernment balances		**488**		21
Other		**385**		395
Total	**28,621**	**5,061**	30,173	5,619

Credit 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 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 (see Note 10). 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 holds one euro bank account with a balance of €3k at 31 March 2026.

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

17. Contingent liabilities

There were no contingent liabilities at 31 March 2026.

18. Pensions

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

18a. 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 365 members as at 31 March 2025 (31 March 2025, 381 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 2026 was £1,600k (2024/25, £1,500k). The value of outstanding contributions as at 31 March 2026 was £132k (31 March 2025, £130k).

18b. 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 was aware of the High Court ruling and the subsequent Court of Appeal ruling in the case of Virgin Media Ltd. in connection with defined benefit pension schemes. This created uncertainty in the pensions sector about the precise application of the ruling, which had the potential to impact the MLCPS and HGCAPP in respect of scheme amendments within a defined time window. On 29 April 2026 the Pension Schemes Act 2026 (the Act) received Royal Assent which provides a statutory route to validate historical pension amendments made between April 1997 and April 2016, which were deemed void if they lacked proper actuarial confirmation. The Act allows trustees to retrospectively obtain written actuarial confirmation that historic changes met necessary standards in order to resolve uncertainty regarding invalid amendments. As a result of this legislation AHDB expects no cash outflow, and no amendment has been made to the valuation of the Defined Benefit Obligation.

AHDB is in contact with each of the schemes' trustees, as they consider the extent of actions required in respect of the new legislation. At this stage AHDB has not performed analysis of the scheme amendments for the relevant time period, but will maintain contact with its trustees to ensure that appropriate legal advice is undertaken and followed, including (only should it become necessary) performing a review of historic section 37 confirmations and, where these were not obtained at the time of the benefit changes, obtaining retrospective actuarial confirmations.

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. There are employer's contributions to the scheme required in 2026/27 excluding any payments for expenses.

Notes to the financial statements

18. Pensions (continued)

18b. Information about the legacy pension schemes (continued)

The scheme Trustees and AHDB are required to agree a "Technical Provisions" valuation at least once every three years. The latest agreed valuation was completed as at 31 March 2024 and was finalised in June 2025. The triennial scheme valuation indicated a funding deficit of less than £1 million which was eliminated through employer contributions made under the previous contribution plan between the valuation date and June 2025. As a result, no further employer contributions were agreed beyond 30 June 2025. The next triennial valuation will be conducted as at 31 March 2027 to be agreed by June 2028.

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.

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 £7.1 million (Note 18f). 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, being equal in value to that of the plan surplus under IFRIC 14. As a result, the plan had neither an asset nor a liability value in the Statement of Financial Position at 31 March 2026 (see Note 18f).

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 18d, at 31 March 2026, 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 had 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 2026 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.

Notes to the financial statements

18. Pensions (continued)

18b. Information about the legacy pension schemes (continued)

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 28 February 2025. A Technical Provisions valuation assessed at 31 March 2025 is currently being discussed between AHDB and the HGCAPP Trustees.

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 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 time frame to that of the Technical Provisions valuation, resulting in a different amount, which is commonplace. The IAS 19 valuation uses a roll forward approach to the membership data, taking the membership base from the latest triennial valuation (in this case, membership data at 31 March 2025) and rolling that forward using actuarial assumptions. This year's IAS 19 valuation resulted in a plan surplus of £2.8 million (Note 18f). 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, being equal in value to that of the plan surplus under IFRIC 14. As a result, the plan had neither an asset nor a liability value in the Statement of Financial Position at 31 March 2026 (see Note 18f).

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 2026 was nil (2024/25, nil) and the value of outstanding contributions as at 31 March 2026 was nil (31 March 2025: 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.

18c. Principal assumptions

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

	MLC Pension Scheme		**HGCA Pension Plan**	
	31-Mar-26 % pa	31-Mar-25 % pa	**31-Mar-26 % pa**	31-Mar-25 % pa
Price inflation (CPI)	**3.10**	2.90	**3.10**	2.90
Rate of increase of pensions in payment*	**2.95**	2.80	**2.95**	2.80
Rate of increase for deferred pensioners*	**3.10**	2.90	**3.10**	2.90
Discount rate	**5.95**	5.70	**5.95**	5.70

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

Notes to the financial statements

18. Pensions (continued)

18c. Principal assumptions (continued)

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-26 years	31-Mar-25 years	**31-Mar-26 years**	31-Mar-25 years
Male currently aged 65	**21.8**	21.4	**22.4**	22.0
Female currently aged 65	**24.2**	24.0	**24.7**	24.6
Male currently aged 50	**22.9**	22.5	**23.3**	22.9
Female currently aged 50	**25.4**	25.2	**25.7**	25.6

The weighted average duration of the defined benefit obligation is 12.5 years for HGCAPP and 9 years for MLCPS.

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 2025 model. This model differs from the CMI 2023 model employed last year in that it models the effect of the COVID-19 pandemic as a temporary increase in mortality rates, starting in 2020 and 'unwinding' by 2030. The sensitivity analysis below 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 £5.5 million. An increase in the price inflation rate of 50 basis points would result in an increase to the defined benefit obligation of £3.2 million. An increase in the post-retirement mortality assumption of one year would lead to an increase of £4.0 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 £0.8 million. An increase in the price inflation rate of 25 basis points would result in an increase to the defined benefit obligation of £0.4 million. An increase in the post-retirement mortality assumption (which is based on projections using a long-term improvement rate of 1.25% p.a.) of 25 basis points would lead to an increase of £0.1 million in the defined benefit obligation.

18d. 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-26 £m	**31-Mar-26 % pa**	31-Mar-25 £m	31-Mar-25 % pa	**31-Mar-26 £m**	**31-Mar-26 % pa**	31-Mar-25 £m	31-Mar-25 % pa
Equities	**1.9**	**1.5**	2.1	1.6	**-**	**-**	-	-
Bonds	**25.9**	**20.4**	27.7	21.1	**2.8**	**17.0**	3.3	19.7
Diversified growth	**2.3**	**1.8**	-	-	**6.0**	**36.3**	5.7	34.1
Liability driven	**12.1**	**9.5**	10.6	8.1	**7.0**	**42.1**	7.2	43.8
Property	-	-	-	-	**-**	**-**	-	-
Annuities	**75.7**	**59.5**	79.0	60.2	**0.1**	**0.6**	0.1	0.6
Cash	**0.3**	**0.3**	0.6	0.5	**0.7**	**4.0**	0.3	1.8
Other	**8.9**	**7.0**	11.1	8.5	**-**	**-**	-	-
Total	**127.1**		131.1		**16.6**		16.6	

Notes to the financial statements

18. Pensions (continued)

18e. Components of defined benefit cost for the 12 months ended 31 March 2026

Analysis of the amounts charged when calculating the surplus/(deficit) in the statement of comprehensive net expenditure:

	MLC Pension Scheme		**HGCA Pension Plan**		**Total Pension Schemes**	
	For the year ended 31-Mar-26 £'000	For the year ended 31-Mar-25 £'000	**For the year ended 31-Mar-26 £'000**	For the year ended 31-Mar-25 £'000	**For the year ended 31-Mar-26 £'000**	For the year ended 31-Mar-25 £'000
Current service cost	**-**	-	**-**	-	**-**	-
Past service cost	**-**	-	**-**	-	**-**	-
Administration costs	**(800)**	(600)	**(33)**	(34)	**(833)**	(634)
Net interest on net defined benefit (liability)/asset	**(200)**	(100)	**-**	(4)	**(200)**	(104)
Total income/(expense) recognised when calculating the surplus/(deficit)	**(1,000)**	(700)	**(33)**	(38)	**(1,033)**	(738)

Analysis of the amounts charged to other comprehensive income:

	MLC Pension Scheme		**HGCA Pension Plan**		**Total Pension Schemes**	
	For the year ended 31-Mar-26 £'000	For the year ended 31-Mar-25 £'000	**For the year ended 31-Mar-26 £'000**	For the year ended 31-Mar-25 £'000	**For the year ended 31-Mar-26 £'000**	For the year ended 31-Mar-25 £'000
Actuarial gains and (losses) on assets	**400**	(8,600)	**(100)**	(2,104)	**300**	(10,704)
Experience gains and (losses) on liabilities	**(400)**	400	**425**	28	**25**	428
Gains (losses) from changes to assumptions	**300**	10,500	**222**	1,611	**522**	12,111
Change in irrecoverable surplus	**2,300**	(1,800)	**(539)**	473	**1,761**	(1,327)
Total amount (charged)/credited in other comprehensive income	**2,600**	500	**8**	8	**2,608**	508

Notes to the financial statements

18. Pensions (continued)

18f. 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-26 £'000	As at 31-Mar-25 £'000	**As at 31-Mar-26 £'000**	As at 31-Mar-25 £'000	**As at 31-Mar-26 £'000**	As at 31-Mar-25 £'000
Present value of defined benefit obligation	**(120,000)**	(124,000)	**(13,793)**	(14,404)	**(133,793)**	(138,404)
Fair value of plan assets	**127,100**	131,100	**16,624**	16,572	**143,724**	147,672
Surplus/(deficit) on Scheme	**7,100**	7,100	**2,831**	2,168	**9,931**	9,268
Irrecoverable surplus (effect of asset ceiling)	**(7,100)**	(8,900)	**(2,831)**	(2,168)	**(9,931)**	(11,068)
Net asset/(liability) recognised in Statement of Financial Position	**-**	(1,800)	**-**	-	**-**	(1,800)

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

Please note contributions paid include recovery plan payments.

	MLC Pension Scheme		HGCA Pension Plan		Total Pension Schemes	
	For the year ended 31-Mar-26 £'000	For the year ended 31-Mar-25 £'000	**For the year ended 31-Mar-26 £'000**	For the year ended 31-Mar-25 £'000	**For the year ended 31-Mar-26 £'000**	For the year ended 31-Mar-25 £'000
Surplus/(deficit) in the Scheme at start of year	**(1,800)**	(2,300)	**-**	(188)	**(1,800)**	(2,488)
Contributions paid	**200**	700	**25**	218	**225**	918
Current service cost	**-**	-	**-**	-	**-**	-
Past service cost	**-**	-	**-**	-	**-**	-
Net interest on net defined benefit (asset)/liability	**(200)**	**(100)**	**-**	**(4)**	**(200)**	(104)
Administration costs	**(800)**	(600)	**(33)**	(34)	**(833)**	(634)
Actuarial (loss)/gain	**2,600**	500	**8**	8	**2,608**	508
Surplus/(deficit) in the Scheme at end of year	**-**	(1,800)	**-**	-	**-**	(1,800)

Notes to the financial statements

18. Pensions (continued)

18g. 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-26 £'000	For the year ended 31-Mar-25 £'000	**For the year ended 31-Mar-26 £'000**	For the year ended 31-Mar-25 £'000	**For the year ended 31-Mar-26 £'000**	For the year ended 31-Mar-25 £'000
Balance at 1 April	**(124,000)**	(139,400)	**(14,404)**	(16,072)	**(138,404)**	(155,472)
Current service cost	**-**	-	**-**	-	**-**	-
Administration costs						
Interest cost	**(6,800)**	(6,500)	**(800)**	(760)	**(7,600)**	(7,260)
Contributions by plan participants	**-**	-	**-**	-	**-**	-
losses					**-**	-
Actuarial gains/(losses) on experience	**(400)**	400	**425**	28	**25**	428
Actuarial gains/(losses) on demographic assumptions	**(1,000)**	700	**52**	21	**(948)**	721
Actuarial gains/(losses) on financial assumptions	**1,300**	9,800	**170**	1,590	**1,470**	11,390
Benefits paid	**10,900**	11,000	**764**	789	**11,664**	11,789
Actuarial gains/(losses) due to settlements and curtailments	**-**	-	**-**	-	**-**	-
Past service cost	**-**	-	**-**	-	**-**	-
Scheme liabilities at end of year	**(120,000)**	(124,000)	**(13,793)**	(14,404)	**(133,793)**	(138,404)

Notes to the financial statements

18. Pensions (continued)

18g. Reconciliation of opening and closing balances of the fair value of plan assets (continued)

Change in scheme assets:

	MLC Pension Scheme		HGCA Pension Plan		Total Pension Schemes	
	For the year ended 31-Mar-26 £'000	For the year ended 31-Mar-25 £'000	**For the year ended 31-Mar-26 £'000**	For the year ended 31-Mar-25 £'000	**For the year ended 31-Mar-26 £'000**	For the year ended 31-Mar-25 £'000
Balance at 1 April	**131,100**	143,900	**16,572**	18,403	**147,672**	162,303
Expected return on plan assets	**7,100**	6,700	**924**	878	**8,024**	7,578
Return on scheme assets greater/(less) than discount rate	**400**	(8,600)	**(100)**	(2,104)	**300**	(10,704)
Contributions by the employer	**200**	700	**25**	218	**225**	918
Contributions by the plan participants	**-**	-	**-**	-	**-**	-
Administration costs	**(800)**	(600)	**(33)**	(34)	**(833)**	(634)
Benefits paid	**(10,900)**	(11,000)	**(764)**	(789)	**(11,664)**	(11,789)
Fair value of assets at end of year	**127,100**	131,100	**16,624**	16,572	**143,724**	147,672

Notes to the financial statements

18. Pensions (continued)

18h. 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
	£000	£000
Expected benefit payments made during 2026/27	11,200	765
Expected benefit payments made during 2027/28	11,500	785
Expected benefit payments made during 2028/29	11,800	815
Expected benefit payments made during 2029/30	12,100	871
Expected benefit payments made during 2030/31	12,400	937
Expected benefit payments 2031/32 to 2035/36	66,900	4,854

19. 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, the Cabinet Office, the Home Office and the Department of Business and Trade.

Stephen Briggs is a Non-Executive Board director of Rural Payments Agency, with no transactions in the year and no balance at 31 March 2026.

Emily Norton is a director of Farm Foresight Limited, with payments of less than £1k in the year and no balance at 31 March 2026.

Lyndon Edwards was a Board director of Dairy UK Limited during the year; he resigned from this position on 6 November 2025. There were receipts of £6k during that part of the year, and no balances due at 6 November 2025.

Statutory levies were paid 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 Ltd (C&O)	Cereals & Oilseeds
Sam Charlton	RE Charlton & Son J&S Charlton	Beef & Lamb
Tom Clarke	TWH Clarke & Son (1954) Ltd	Cereals & Oilseeds (and previously Potatoes)
Lyndon Edwards	KE & LRC Edwards	Dairy, Beef & Lamb
Mike Gooding	RCMG Oxford Ltd	Beef & Lamb, Pork
Graham Wilkinson	Grey Close Farming	Beef & Lamb

Notes to the financial statements

19. Related party transactions (continued)

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

20. Events after the reporting date

In June 2026, AHDB and the Trustees of the HGCA Pension Plan reached agreement on the triennial valuation of the Plan as at 31 March 2025, along with an agreement that no deficit reduction contributions are required. These accounts (in particular Note 18) are prepared on the basis of the previous triennial valuation which had deficit reduction contributions agreed but which finished in February 2025 and therefore did not generate any additional liability at 31 March 2026. As before, no regular employer contributions are expected since these are closed schemes. The next triennial valuation process will start in 2028/29, based on Plan conditions as at 31 March 2028.

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 2025/26

Sector	Standard levy rate 2025/26
Pigs (England)	£ per head
Producer	1.02
Slaughterer/exporter of live pigs	0.24
Beef and Lamb (England)	£ per head
Cattle (excluding calves)	
Producer	5.06
Slaughterer/exporter of live cattle	1.69
Calves	
Producer	0.10
Slaughterer/exporter of live calves	0.10
Sheep	
Producer	0.75
Slaughterer/exporter of live sheep	0.25
Milk (GB)	Pence per litre
Buyers and direct sellers of milk	0.08
Cereals and oilseeds (UK)	Pence per tonne
Cereal grower	58.00
Cereal buyer	4.80
Cereal processor (human and industrial)	12.00
Cereal processor (feed)	5.80
Oilseeds	94.00

AHDB Sector Councils at 31 March 2026

AHDB Pork Sector Council

Glen Nimmo, Chair
Rupinder Ashworth, independent member
Jodie Bolland, processor
James Brisby, processor
Hugh Crabtree, independent member
Charlotte Duggleby, producer
William de Klein, processor
Lee Rampling, independent member[1]
Becca Spink, processor[2]
Robin Thompson, producer
Mark Westgarth, producer
Mike Wijnberg, independent member

1. Co-opted during the year for a one-year term of office
2. Appointed during the year for an initial three-year term of office

AHDB Dairy Sector Council

Lyndon Edwards, Chair
Anna Bowen, dairy farmer, Wales
Colin Ferguson, dairy farmer, Scotland
Emma Furnival, dairy farmer, Shropshire
Mike King, dairy farmer, Gloucestershire
Patrick Morris-Eyton, dairy farmer, Cumbria
Rob Nancekivell, dairy farmer, Devon
Andrew Rutter, dairy farmer, Cheshire
Gemma Smale-Rowland, dairy farmer, Cornwall
Andrew Warne, independent, Oxfordshire

AHDB Beef & Lamb Sector Council

Colin Bateman, Chair
George Burrell, Council Apprentice
Scott Donaldson, auctioneer
George Fell, producer, Yorkshire
Bryan Griffiths, producer, Devon
Ben Harman, producer, Buckinghamshire
Mark Jelley, producer, Northamptonshire
Ghulam Khan, processor
James MacCartney, producer, Rutland
Tamara Pickstock, producer, Shropshire
Isla Roebuck, processor
Dr Paul Unwin, producer, Shropshire

AHDB Cereals & Oilseeds Sector Council

Stephen Briggs, Interim Chair
David Bell, grower, East Fife
Alan Bowie, grower, Clackmannanshire
Polly Davies, grower, South Wales
Adam Driver, grower, Suffolk[1]
Bob King, maltster, Norfolk[1]
Sarah Nightingale, independent member
Richard Orr, grower, Northern Ireland
James Standen, grower, Newcastle-upon-Tyne
Patrick Stephenson, independent member, North Yorkshire
David Walston, grower, Cambridgeshire
Tom Wood, merchant, Hampshire[2]

1. *Appointed during the year for first three-year term of office*
2. *Co-opted during the year for a one-year term of office*

Registered address:

Agriculture and Horticulture Development Board
Middlemarch Business Park, Siskin Parkway East, Coventry, CV3 4PE

T 024 7669 2051
E info@ahdb.org.uk
W ahdb.org.uk

E03559207

978-1-5286-6282-6