



THE GRAIN AND FEED  
TRADE ASSOCIATION



ANNUAL REPORT &  
CONSOLIDATED ACCOUNTS

YEAR ENDED 30TH SEPTEMBER 2021

**REGISTERED OFFICE**

9 Lincoln's Inn Fields, London WC2A 3BP

**KEY EXECUTIVE PERSONNEL**

Details of Council members who are, in addition to the Director General, the statutory directors in accordance with the Companies Act are detailed on page 34.

|                                    |                          |
|------------------------------------|--------------------------|
| Director General                   | Mrs Jaine Chisholm Caunt |
| Director, Gafta Kiev               | Mrs Anna Golodova        |
| Head of Trade Policy, Gafta Geneva | Mrs June Arnold          |
| Director, Gafta Beijing            | Mr Alan Ding             |
| Director, Gafta Singapore Pte Ltd  | Mrs Jade Dyson           |
| General Counsel                    | Mr Jonathan Waters       |
| Company Secretary                  | Mr Chris Simpson         |
| Accountant                         | Mr Paul Collins          |

**BANKERS**

**HSBC Bank plc**, City of London Commercial Centre, 60 Queen Victoria Street, London, EC4N 4TR

**INVESTMENT MANAGERS**

**Quilter Cheviot**, 8th Floor, Two Snowhill, Birmingham, B4 6GA

**AUDITORS**

**RSM UK Audit LLP**, Blenheim House, Newmarket Road, Bury St Edmunds, Suffolk, IP33 3SB

**SOLICITORS**

**Norton Rose Fulbright**, 3 More London Riverside, London, SE1 2AQ

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# NOTICE OF ANNUAL GENERAL MEETING

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the forty-fifth Annual General Meeting will be held at The Ritz, 150 Piccadilly, London, W1J 9BR at 12.30pm on Thursday 20th January 2022, for the following purposes:

### ORDINARY BUSINESS

- A To consider the adoption of the Council's Report and Accounts for the year ended 30th September 2021.
- B To receive the result of the election for vacancies on the Council.
- C To confirm the re-appointment of RSM UK Audit LLP as Auditors and to authorise the Council to fix their remuneration.
- D To consider the election of the Members to the Committee of Appeal:

Shailendra Bardia

David Barnett

Sarah Bell

Johny Boerjan

Dan Burneski

Jonathan Cowens

Conrad Creffield

Paul Davies

Simon Davis

Nico de Zwart

Rory Donnelly

Ivanna Dorichenko

Jules Drye

Rene Eikel

Marius Gerrits

Morten Guldager

Julie Hawkins

Kevin Haylock

Anton Hoek

Lorraine Idt

Kay Jansa

Peter Kiss

Sylvie Kosorog

Jane Libre

Maurizia Lima

David Lucas

Ezequiel Manovil

Krisztina Mozer

Tanja Nehls

Philip Noyce

Donald O'Meara

Dragan Perc

Wim Plug

Roger Rookes

Milan Shah

Torsten Sievers

Csaba Sipos

Stephen Smid

Gavin Snodgrass

Swithun Still

Bruce Tappy

Liz Thomas

BY ORDER OF THE COUNCIL

10th December 2021

**Jaine Chisholm Caunt**

*Director General*

*Note: A Member entitled to attend and vote at the above meeting is entitled to appoint a proxy vote instead of him. The proxy should be a Member of the Association.*



## PRESIDENT'S MESSAGE

I have had a second year as Gafta President, to maintain stability during the Covid-19 pandemic. Unfortunately, I have still been unable to travel and meet Gafta members around the world, although Gafta has now returned to delivering in-person events from September. I attended the Trade Foundation Course, which took place in London, and I also had the opportunity of meeting many Gafta members at the ECE Bourse in Copenhagen, in October. Regretfully, we were obliged to postpone the Gafta Annual Dinner again in June – although we are determined it will go ahead next year! This year, we will hold a networking Christmas Luncheon in London, on the 10th December, which I hope many of you will attend.



Gafta has continued to serve its membership well, despite the pandemic, and has demonstrated great resourcefulness in use of social media and other electronic and virtual media. Gafta and its staff have, in fact, been shortlisted for, or won, a number of industry awards this year. I know how much we all rely on the work of Gafta to support us in our endeavours. I'd like to thank Director General, Jaine Chisholm Caunt, and all the staff of the association for their commitment to us and work on behalf of the industry.

**Gavin Millar**

*President*

10th December 2021

## DIRECTOR GENERAL'S MESSAGE

Welcome to Gafta's annual report for 2020-2021! 2021 has continued to be substantially affected by Covid, but September has brought the welcome re-start of in-person events again. Gafta members have continued to keep food and feed moving from where it is produced, to where it is most needed, playing a key role in ensuring global food security. Gafta has continued to promote the vital role of the international trade in food and feed, at numerous online webinars and conferences, and in-person, as one of only 10 private sector representatives invited to attend the UN Food Systems pre-summit in Rome. The officers and members of Council approved the annual KPIs on page 6. You can also read about some of our key activities throughout the year from pages 7 to 14.



I am pleased to say that Gafta has posted a substantial surplus this year, which helps keep the Association's finances and future secure and enables us to invest in and support our member services.

### Key outputs for 2020-2021 include:

- Developing a new MoU between Gafta and Electronic Trading Platforms
- Significant involvement in the UN Food Systems summit as an invited Private Sector attendee at the Pre-Summit in Rome, and as a member of the Private Sector Guiding Group
- Further demand for our online learning materials and webinars, including being asked to develop modules for other trade associations
- Presenting at a number of international conferences and seminars, including Women in AgriBusiness Europe, Comrisk, IGC, the UN FSS, WTO and OECD, International Disputes week, IGTC roundtable, as well as Gafta's own new series of member-only webinars with Gafta member law firms
- Growing the Approved Registers and trialling the new 'Sustainability Pledge'
- Having an award-winning Arbitration team:
  - **Beth Jameson**, Gafta's Arbitration Manager, awarded 'Best Arbitrator/Mediation Paralegal' in the 2021 National Paralegal Awards
  - Gafta's General Counsel, **Jonathan Waters**, awarded the "2020 International Arbitration Advisory Expert of the Year in the UK" by Global Advisory Experts, "Alternative Dispute Resolution UK" by Finance Monthly Annual M&A Awards, "International Arbitration Expert of the Year" Corporate INTL, "Best Mediator and Barrister of the Year 2021" EMG Publishing, "Best Mediator and Barrister of the Year" 2021 Corporate America Today, and "Best Mediator and Barrister 2021" Lawyer 100
- Maintaining the interest in, and value of, Gafta membership. Gafta has been shortlisted for an award by the Association Excellence Awards for best member support during the Covid-19 pandemic

**Jaine Chisholm Caunt**

*Director General*

10th December 2021





## STRATEGIC MODEL FOR GAFTA

## VISION

*To promote global free trade in Agri-commodities*



## MISSION

*To trade on the principle “my word is my bond”*



## OBJECTIVES

- 1 To develop and maintain party-neutral, relevant contracts upon which approximately 80% of the world's shipping trade in agri-commodities is carried out
- 2 To deliver a world-class international arbitration service to resolve contractual disputes
- 3 To offer a leading education and training service to improve knowledge and understanding of trade relevant issues
- 4 To represent members' and the wider industry's views on trade policy to key policymakers
- 5 To facilitate networking and information exchange between companies in the agri-supply chain by hosting events, seminars and conferences
- 6 To offer a range of dynamic and attractive member services



## KPIs 2021

- |                                                                                                                                                                                                                                                                                                                                                                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>1a</b> Review and agree future of Gafta CharterParty and 127 rules.</p> <p><b>1b</b> Review definitions of FM clause and 'notices received after 1600.'</p> <p><b>1c</b> Develop a working protocol between Gafta and electronic trading platforms, e.g. Covantis, on use of Gafta contracts and data sharing.</p>                                                                                                            | <p><b>4b</b> Publish at least five policy submissions, position papers and articles on the trade policy section of the Gafta website. Achieve Gafta observer status at IMO.</p> <p><b>4c</b> Host at least two meetings of the Federation of Commodity Associations (FCA) and redevelop their website and logo. Develop new Agribility offering for at least one other Agri-trade association.</p> <p><b>4d</b> Work as an active member of the two international coalitions – IAFN &amp; IGTC. Work as a member of the IAFN group on Codex Reform and Agroecology and report on progress and activities through Gaftaworld articles. Work as a member of the UN's Private Sector Guiding Group and participate in the UN's Food Systems Summit in Autumn 2021.</p> |
| <p><b>2a</b> Host three Arbitration Committee meetings and develop programme of mentoring support for new arbitrators.</p> <p><b>2b</b> Review Supreme Court Decision on Halliburton v Chubb and consider implications for Gafta Arbitration rules and procedures.</p> <p><b>2c</b> Run one arbitration masterclass on key topics as CPD for arbitrators.</p>                                                                       | <p><b>5a</b> Increase Gafta's speaking presence at International Conferences, and develop a social media strategy to increase Gafta's online profile by 20%.</p> <p><b>5b</b> Present on Trade Policy work at, at least, two international conferences and seminars, and work with other industry groups to achieve a workable solution to the IMSBC code on Self-Heating of Commodities.</p> <p><b>5c</b> Hold a 'sell-out' London dinner attracting 500 delegates. Promote the new 'London Grains Week 2021' concept and secure new support from DEFRA.</p>                                                                                                                                                                                                       |
| <p><b>3a</b> Develop new face-to-face technical training programmes for the Approved Registers, plus roll-out of additional online Approved Registers seminars.</p> <p><b>3b</b> Develop two new Agribility modules and develop a marketing plan for online training provision.</p> <p><b>3c</b> Achieve above 75% positive approval ratings in the course evaluation forms.</p>                                                    | <p><b>6a</b> Continue work on the Gafta 2020 governance review.</p> <p><b>6b</b> Complete the new website and CRM development to improve and enable better services for Gafta Members.</p> <p><b>6c</b> Trial the new Sustainability Pledge with a small group from Council and then develop in conjunction with the new website.</p>                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <p><b>4a</b> Hold at least two meetings of the Global Policy committee and use this meeting to formally approve Gafta policy positions and activities. Hold two meetings of each of the UK, China, Black Sea, Ukraine and SE Asia trade committee meetings, one of the IPC, and use these meetings to raise regional policy issues with the GTPC and to make recommendations on contract developments and revisions to the ICC.</p> |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |



## GAFTA YEAR AT A GLANCE

*Due to Covid-19 restrictions all meetings were held virtually, unless otherwise stated*

### OCTOBER 2020

- Held International Contracts Committee meeting
- Held Gafta Council meeting
- Held Global Trade Policy Committee meeting
- Held UK Trade Committee meeting
- Held Trade Association Forum meeting
- Held Know Your Gafta contracts training course online (17 delegates)
- Held Approved Registers Committee
- Attended the Global Pulses Confederation Conference Pulses 2.0
- Moderated Panel on “Digitalisation of Trade” at the Global Pulses Confederation, Pulses 2.0
- Attended WTO Webinar on “Trade Dialogue on Food”
- Chaired GTPC committee panel in WTO webinar “Food, Trade Policy, the G20 and COVID-19”
- Attended Advisory Committee Arable Group (ACAG) meeting
- Chaired working group on new requirements in IMSBC code on carriage of seedcake
- Attended IGC conference on “Food demand and grains sector trends after the Covid-19 crisis”
- Sent joint letter with AIC to Defra/Department for International Trade on UK Global tariff policy
- Held call with NAEGA on implementation of new requirements for seedcake in revised IMSBC code 2020
- Sent joint letter with Global Pulse Confederation to Food Safety and Standards Authority of India on Order to require non-GMO origin GM free certificates (WTO G/TBT/N/INA/168)
- Attended IAFN call preparing for High level Special event
- Attended CFS High-Level Special Event: Global Food Security and Nutrition Situation
- Attended High Level Food Systems Dialogue - Shifting to Sustainable Consumption Patterns
- Organised Gafta Panel on “The important Role of Trade in Promoting Resilience in our Global Food Systems” FAO
- Held meeting with Chair to SPS committee, WTO
- Participated in East Asia Seed & Grain Groups call
- Attended the Global Low Level Presence Initiative (GLI) 2020
- Attended PSM FSS steering committee
- Held Gafta member meeting, China
- Presented at Global Pulses Confederation annual conference “Pulses 2.0”
- Presented at ComRisk

### NOVEMBER 2020

- Held Arbitration Committee meeting
- Held Know Your Gafta contracts training course online (41 delegates)
- Held Gafta Arbitrator Masterclass training course (53 delegates)
- Held Superintendent Expert Group Meeting
- Published Gaftaworld
- Attended FOSFA AGM
- Attended CELCAA Board meeting
- Attended IAFN/UN FSS meetings
- Attended Global Grain Geneva
- Attended WTO seminar: “Farmers’ Perspectives on SPS Challenges for Sustainable Food Production and Trade” organized by Permanent Missions of Canada, Colombia, Costa Rica, Ecuador, Guatemala, Paraguay and the United States
- Attended GPC Market Access committee meeting
- Attended Internal briefing for IGTC: European Green Deal and Farm to Fork Strategy
- Gafta represented at HMRC, Defra, Northern Ireland’s Department for Infrastructure and DAERA meeting to discuss NI issues in relation GB goods to NI (Claudine, NIGTA)
- Attended IGTC Strategy Session - grain trade policy, communication and event planning 2021 and 2022
- Reported to IGTC AGM on MRL working group activities, chaired by Gafta
- Attended Panel: “UK/EU/US – Tragedy or Trade?”
- Attended Gaabt working group meeting following GLI Conference

## GAFTA YEAR AT A GLANCE

### NOVEMBER 2020 *(continued)*

- Organised Gafta AIC call on UK consultation on *Tilletia Indica* response plan
- Attended FAO High-Level Event and Official Launch of Food Coalition
- Attended WTO Committee on Sanitary and Phytosanitary Measures webinar to discuss an FAO study on harmonization of food safety standards Understanding international harmonization of pesticide maximum residue limits with Codex standards: A case study on rice
- Attended IPGA KNOWLEDGE SERIES webinar on “red lentils” and government policy
- Attended Defra meeting on UK “MFN Tariff Policy” with UKTC members
- Attended COCERAL Unistock conference call updating on Romania, Ukraine, China
- Sent joint letter with Global Pulse Confederation to Indian Phytosanitary Authorities on Fumigation with MBr requirements on imports of agricultural commodities - request for extension of derogation post-December 2020
- Supported COCERAL’s letter to EU Commission on impact of EU-US WTO aircraft dispute and impact on agri raw materials and ingredients
- Attended ACAG meeting
- Held Gafta working group on implementation of IMSBC code – 2nd meeting on seedcake entries
- Participated in the IAFN Codex Coalition Quarterly call
- Submitted trade concerns to Defra on UK Organic exports post-1 January 2021
- Submitted response to Defra on consultation on UK Contingency Plan for *Tilletia indica*
- Made intervention in DG Trade Meeting on EU duties imposed due to Retaliation in context of WTO dispute on Boeing and Airbus
- Attended webinar on ISAAA Global Status of Biotech/GM Crops 2019
- Attended webinar with Policy Analyst, House of Lords, EU Environment Sub-Committee on UK exports to EU
- Attended virtual meetings with the Deputy Minister of Agriculture at the Ministry for Economic Development, Trade and Agriculture of Ukraine

### DECEMBER 2020

- Held Global Trade Policy Committee meeting
- Held Black Sea Trade Committee meeting
- Held Ukrainian Regional Trade Committee meeting
- Published Gaftaworld
- Held Federation of Commodity Associations meeting
- Held South-East Asia Regional Trade Committee Meeting
- Held Approved Registers Webinar (17 delegates)
- Attended IAFN/UN FSS meetings
- Attended COCERAL working group on contaminants
- Attended COCERAL Food and Feed Safety and Market and Agricultural Policy Committees
- Attended COCERAL Board meeting
- Attended Funders conference call on IAFN Codex Workplan 2021
- Participated in IAFN quarterly call
- Co-signatory to IAFN letter sent to WTO and Codex Secretariats on International MRL policies
- Attended IPPC Webinar: Fall Armyworm (FAW) prevention under the Framework of FAO Global Action on FAW control
- Attended PSM Governing Council and PSM quarterly call
- Held Gafta’s 3rd Working group on IMSBC code
- Attended roundtable on UK agricultural exports, House of Lords, EU subcommittee
- Attended ACAG meeting
- Held meeting with British Pest Control Association to discuss training opportunities
- Sent letter to the Heads of Parliamentary and Taxation Committees supporting the adoption of legislation to reduce the VAT rate from 20% to 14%





## GAFTA YEAR AT A GLANCE

### JANUARY 2021

- Held Arbitration Committee meeting
- Held International Contracts Committee meeting
- Held Gafta Council meeting
- Held Gafta AGM
- Attended UN FSS PSGG meeting
- Held Approved Registers Webinar (15 delegates)
- Held Know Your Gafta Contracts (22 delegates)
- Sent letter to Brazil and Pakistan on Methyl bromide fumigation of soybeans and need for a different approach to avoid germination
- Supported CELCAA position on EU
- Represented Gafta in Funding partner call on IAFN Codex Enhancement Group workplan 2021
- ACAG meeting on EU UK Trade Agreement
- Attended IAFN Codex Coalition quarterly call
- IGTC MRL working group call with USTR on USITC Global Economic Study
- Represented Gafta at the International Organization of Spices Trade Associations (IOSTA) meeting
- Attended the International Maritime Organization - Editorial and Technical committee
- Attended IGTC PBI Policy Team with guest speakers from International Seed Federation: Briefing on regulatory landscape and status of gene edited products
- Attended the IAFN quarterly call
- Attended CELCAA's meeting on Rules on Origin of the EU-UK Trade and Cooperation Agreement with DG TAXUD; Trade and Agriculture on EU-UK Trade Agreement
- Participated in ACAG meeting on implementation of EU-UK Free Trade Agreement
- Held Gafta's 4th working group on implementation of IMSBC code 2020
- Supported COCERAL letter to Director General DG Trade in EU Commission on Retaliatory duties on imports of US wheat - Impact on European importers and users
- Attended GPC market access committee
- Participated in IGTC Grain Trade Round table – Covid 19 catch up
- Supported IAFN Food Systems Summit position paper
- Attended UN FSS AT 5 meeting

### FEBRUARY 2021

- Held Approved Registers Webinar (16 delegates)
- Attended PSM/ UN FSS meetings
- Promoted World Pulses Day
- Attended UN FSS AT1 meeting
- Attended Commodity Arbitration Club Lunch discussion
- Published Gaftaworld
- Attended CELCAA exchange of views on Chinese requirements for registration of food companies
- Attended World Committee on Food Security (CFS47) – plenary session
- Sent letter to Vietnamese authorities concerning new import requirements for quarantine pests
- Attended meeting on Transparency in tariff rate changes, and treatment of shipments en route – with Australia, Brazil, Canada and Ukraine WTO missions
- Attended COCERAL Brexit Briefing call
- Attended COCERAL First Scientific and Technical WG (STWG)
- Co-Chaired IGTC call with UK Defra - Plant Breeding Innovation
- Attended IGTC Grain Trade Round Table on Sustainability Certification Schemes
- Attended PSM - FSS Steering Committee
- Participated in PSM 2nd Macro-Committee preparing for negotiations for Agroecological and other Innovative Approaches
- Attended as PSM representative, FAO CFS Open Meeting on Agroecological and Other Innovative Approaches
- Presented on IMSBC 2021 code (seedcake schedules) to Unistock Board meeting



## GAFTA YEAR AT A GLANCE

### MARCH 2021

- Held UK Trade Committee meeting
- Held Global Trade Policy Committee meeting
- Attended ACAG meeting
- Attended COCERAL's Food and Feed Safety Committee
- Attended IAFN/UN FSS meetings including CEO event
- Participated in informal dialogue with Codex Secretary, Tom Heilandt and Markus Lipp representing the International Agri Food Network's, Coalition for Enhanced Codex
- Attended COCERAL's Joint Food and Feed Safety and Market Agricultural Policy Committees
- Attended GAABT meeting
- Participated in the EU Commission Mycotoxin Forum on Feed
- Attended CELCAA Conference: Trade in Agri Food and Commodities is part of a resilient and sustainable food system
- Attended COCERAL working group on Biotech
- Attended IGTC working group on Low Level Presence Policy developments
- Submitted Gafta response to UK consultation on the regulation of Gene Edited (GE) crops
- Supported ACAG position on regulation of genetic technologies submitted to Defra
- Attended PSM Governing Council and PSM quarterly calls
- Attended IAFN quarterly call
- Participated in FAO Geneva Agriculture Trade Talks: Agric-Food GVCs and Sustainability Certification
- Attended IGTC working group on Cartagena Biosafety Protocol (CBP), report from informal SBSTTA 24
- Attended ACAG group on EU UK Exit, UK
- Reported on IGTC MRL policy to CLI Market and Trade Task Force
- Represented Private Sector in FAO Negotiations on Agroecological and other Innovative Approaches
- Published Gafta Standard for Fumigation version 8.0
- Attended FAO Geneva Agriculture Trade Talks: Agric-Food GVCs and Sustainability Certification
- Held Gafta Approved Registers Webinar
- Held Gafta Superintendent Expert Group Meeting
- Attended COCERAL Committee and Board meeting
- Attended PSM/UNFSS meetings
- Held Know Your Gafta contracts training course online (55 delegates)
- Held Gafta Global Trade Policy Committee meeting
- Held Approved Registers Committee
- Held New Arbitrators' Award Writing webinar (24 delegates)
- Held Approved Registers Webinar (12 delegates)
- Held Trade Association Forum meeting
- Presented at Women in Agri-Business Europe conference

### APRIL 2021

- Held Gafta Council meeting
- Held Black Sea Trade Committee
- Held Ukrainian Regional Trade Committee meeting
- Held Gafta Superintendent Expert Group Meeting
- Held Member Webinar Series: Instalment deliveries: can I refuse to deliver if my previous instalments are not paid for? – Sponsored by Fortier Law (42 delegates)
- Held Approved Registers Webinar (80 delegates)
- Published Gaftaworld
- WTO Seminar Trade Dialogues on Food, entitled Enabling Agricultural Trade, Geneva
- Attended Cartagena Biosafety Protocol (CBP) - IGTC meeting with UK, Defra
- Participated in COCERAL Unistock working group on Commission's contingency plans for EU food supply and food security.



## GAFTA YEAR AT A GLANCE

### APRIL 2021 *(continued)*

- Attended PSM 2nd Macro Committee
- Participated in 2nd quarterly call of the Codex Coalition
- Participated in “The Future of Commodities Trading: Transforming Global Commodities Trade through Blockchain & Digitalisation”
- Attended IGTC Global Grain Trade Round Table: Future of the World Trade Organization (WTO)
- Participated in IGTC MRL Policy Team call with US International Trade Commission (USITC) - Global Economic Impact of Missing and Low Pesticide Maximum Residue Levels, Vol. 2
- Chaired meeting with UK FSA on challenges for trade with GMO approval process
- Chaired IGTC MRL working group call
- Attended Banana Cluster MRL event, Brussels
- IAFN meeting preparing position on Resilient Trade Ecosystems-Food Systems Summit
- Participated in COCERAL working group to discuss deforestation and compensation of local farmers
- Participated in COCERAL-UNISTOCK discussion on COM Contingency Plan to finalise Consultation response
- Represented Private Sector in FAO Negotiations on Agroecological and other Innovative Approaches
- Participated in COCERAL working group on Self Heat Test Guidance Document for seed cake (IMSBC code provisions)
- Held Auditor Training for Gafta Standard for Fumigation version 8.0
- Held Gafta Standard for Fumigation – What’s Changed Webinar (English)
- Held meeting with Legal Counsel of FAO to discuss the China Grain Procurement agreement

### MAY 2021

- Held Know Your Gafta contracts training course online (22 delegates)
- Held Approved Registers Committee
- Held Approved Register Committee (ARC) Meeting
- Held International Pulses Committee
- South-East Asia Regional Trade Committee Meeting
- Gafta response to consultation EU Contingency Plan
- Attended 14th Session of the Codex Committee on Contaminants in Foods (CCCCF14)
- Attended Agroecology negotiations, FAO, CFS
- Chaired meeting with Defra, FERA, ADHB on phytosanitary issues in relation to UK exports (GSOP)
- Attended COCERAL Scientific and Technical working group
- Attended COCERAL Market and Agricultural Policy Committee and Food and Feed Safety
- Meeting with WTO SPS Chair - informal review of MC12 priorities for the grain trade
- Attended 14th Session of the Codex Committee on Contaminants in Foods (CCCCF14)
- Attended ACAG meeting
- Attended UN FSS meetings
- Attended IGTC working group on Plant Breeding Innovation - focus on EU Commission report
- Organised meeting with UK IMO representatives on NGO consultative status
- Attended PSM UN Food Systems Summit Steering committee
- Attended Euractiv Conference - EU agenda for global forests - Getting the balance right
- Attended IGTC Global Grain Trade Round Table: “UNFSS, an industry association perspective” with speakers from Gafta, CropLife International and Global Dairy
- Represented Gafta in Defra discussions on “Consultation on rebalancing measures in response to US section 232 tariffs on steel, aluminium and derivatives”
- Auditor Training for Gafta Standard for Fumigation version 8.0
- Participated in High level Dialogue at CFS on gender
- Attended 18th Black Sea Grain Conference
- Attended meeting with the Ukrainian Trade representative and the Deputy Minister for Economy Trade and Agriculture on the issues relevant to MRLs





## GAFTA YEAR AT A GLANCE

### JUNE 2021

- Held Gafta Council meeting
- Published Gaftaworld
- Held Gafta Global Trade Policy Committee meeting
- Held Gafta International Contracts Committee meeting
- Held Gafta Arbitration Committee meeting
- Held London Grains Week
- Held Know Your Gafta contracts training course online (20 delegates)
- Held Russian-language Fumigation Standard webinar (18 delegates)
- Held Gafta Sustainability Pledge Working Group Meeting
- Held Grains and Feed Trade Risks and Prevention Seminar with Deheng Law Group (30 participants)
- Attended IAFN AGM
- Meeting with APHA on GSOP 1 revision
- Submitted joint Gafta and FAO working session proposal “Enhancing resilience of agri-food trade beyond Covid-19: lessons learnt”, WTO public forum
- Attended IAFN meeting with FAO officials on Codex process ahead of CCPR
- Attended International Grains Council conference and recorded a speech for the conference
- Participated on IGTC Panel discussing “Official Practices, Trade and Resilient Food Systems”
- Held meeting with Trade Representative of Ukraine, Deputy Minister of Economy
- Attended PSM Trade dialogue – Food Systems Summit
- Submitted Gafta-CLI working session proposal “Advancing sustainable trade across the agricultural sector”, WTO Public Forum
- Presented on MRL activities to IGTC Strategy Session at end of London Grains week
- Submitted letter to UK Undersecretary of State, Defra on “Timely Availability of Trade Data” as part of Arable Chain Advisory Group
- Submitted GAFTA-FAO working proposal on “Enhancing resilience of agri-food trade beyond Covid-19: lessons learnt
- Represented Gafta in GPC Market Access Committee
- Attended ACAG meeting
- Attended UN FSS meetings
- Attended PSM FSS Steering Committee
- Attended COCERAL virtual event “Farm to Fork” one year on
- Sent letter to Egypt Chair of Customs Authority concerning single window system (Nafeza and CargoX)
- Presented to IMO Council on Gafta’s application for NGO consultative status
- Submitted response to UK consultation on Rebalancing Measures in response to US s232 steel dispute
- Held meeting with DG from India’s FSSAI on measures relating to GMO free certificates for agricultural commodities
- Revised requirements for Gafta Approved Registers of Analysts and Superintendents came into effect (1 June 2021)
- Commenced audits to Gafta Standard for Fumigation version 8.0
- Represented Gafta members in discussion on UK-China Barley Export Protocol changes
- Held Gafta member Round Table, Beijing, China (7 participants)
- Participated in Women in Agriculture (WOMAG) event “Youth in Agriculture”
- Participated in WOMAG event “What male allyship means for gender equality”
- Attended WTO Global Dialogue on Trade – “Trade, An Essential Piece of the Food Security Puzzle”





## GAFTA YEAR AT A GLANCE

### JULY 2021

- Held Member Webinar Series: Digitalisation for the trade (64 delegates)
- Sent letter to Rt Hon George Eustice on delays in authorising GMOs in GB system
- Attended PSM Trade discussions related to UNFSS
- Attended IGTC LLP Policy Team meeting
- Participated in affiliated session: Driving food system transformation through accounting for the True Value of Food
- Participated in affiliated session: *Harnessing the Contribution of International Agriculture Trade for Sustainable Food Systems*
- Attended Codex Committee on Pesticide Residues, CCPR
- Attended PSM Steering Committee - UN FSS
- Held meeting with Croplife China
- Presented at UNFSS Pre-Summit Dialogue “Scaling Impact on Gender Equality through Multi-Stakeholder Initiatives”
- Attended virtual meeting with the Deputy Minister of Agriculture at the Ministry for Economic Development, Trade and Agriculture of Ukraine
- Attended UN FSS pre-summit in Rome as one of only 10 invited representatives of the Private Sector
- Presented at UN FSS parallel event: Harnessing the contribution of Intl Agri trade for sustainable food systems

### AUGUST 2021

- Held South-East Asia Regional Trade Committee Meeting
- Attended FSA importer working group, UK
- Attended Extraordinary PSM Governing Council meeting
- Held meeting with FSA GMO unit, UK
- Held meeting with Defra Genetic Editing Unit, UK
- Letter to Defra seeking support for SPS Declaration ahead of WTO Ministerial Conference 12
- UNECE Inland Transport Committee on carriage of fumigated bulk cargoes
- Participated in PSM FSS Group to adopt the PSM position on UN FSS business declaration
- Attended IGTC Plant Breeding Innovation Policy Team updating on UNFSS and WTO SPS declaration
- Held Gafta Sustainability Pledge Working Group Meeting
- Attended CCPR52, China
- Participated in WOMAG event “‘It’s Unconscious” Gender-bias in the workplace workshop’
- Attended virtual meetings with the Deputy Minister of Agriculture at the Ministry for Economic Development, Trade and Agriculture of Ukraine



## GAFTA YEAR AT A GLANCE

### SEPTEMBER 2021

- Published Gaftaworld
- Held Gafta UK Trade Committee meeting
- Held Ukrainian Regional Trade Committee meeting
- Held Black Sea Trade Committee meeting
- Held Gafta Sustainability Pledge Working Group Meeting
- Held Gafta Law Firm Members Drinks Reception – London, UK (29 delegates)
- Held Trade Foundation Course – London, UK (29 delegates)
- Held Trade Foundation Course Networking Dinner – London, UK (35 delegates)
- Held Trade Foundation Course Networking River Cruise – London, UK (33 delegates)
- Held UK Trade Committee meeting
- Attended IGTC ePhyto industry working group, China
- Attended COCERAL Food and Feed Safety committee
- Attended COCERAL Agricultural Policy committee
- Participated in PSM FSS steering committee
- Attended UN FSS CEO session
- Attended International Grains Council Webinar: “The role and resilience of international trade in grains and other agribulk plant products within the global food system?”
- Attended FSA importers working group meeting, UK
- Held Gafta-CLI webinar “Advancing Sustainable Trade Across the Agricultural Sector” preparation for WTO Public Forum
- Attended PSM quarterly call and Governing Council
- Participated in 3rd Codex Working group on Codex Enhancement
- Participated in COCERAL Scientific Technical WG meeting
- Participated on IGTC Working Group on Electronic Trading Documentation
- Participated in DIT working group on Trade Sanctions, UK
- Attended the PSM - FSS Steering Committee
- Attended Brazil Mission meeting on “Towards sustainable agricultural trade”
- Held meeting with Russian Mission on MC12 SPS Declaration
- Attended UN Food Systems Summit
- Submitted Gafta response to UK consultation on Animal Feed Threat Assessment
- Participated in WTO Public Forum, Geneva and Gafta CLI joint side event
- Sent joint letter with GPC to Indian authorities on relaxation of Methyl Bromide requirements post-October 2021
- Meeting with UK APHA regarding phytosanitary procedures (GSOP1) and UK Authorised Trade Inspectors Training
- Conducted Gafta Annual Review meeting with Sciantec (Gafta Ring Test Scheme), York, UK
- Attended CropLife seminar, China
- Attended COCERAL Committee and Board meeting
- Attended International Grain Conference

### AWARDS

Winner, Corporate INTL, International Arbitration Expert of the Year 2021 – **Jonathan Waters**

Winner, EMG Publishing, Best Mediator and Barrister of the Year 2021 – **Jonathan Waters**

Winner, M&A Today, Best Mediator and Barrister UK 2021 – **Jonathan Waters**

Winner, Lawyer 100, Best Mediator and Barrister 2021 – **Jonathan Waters**

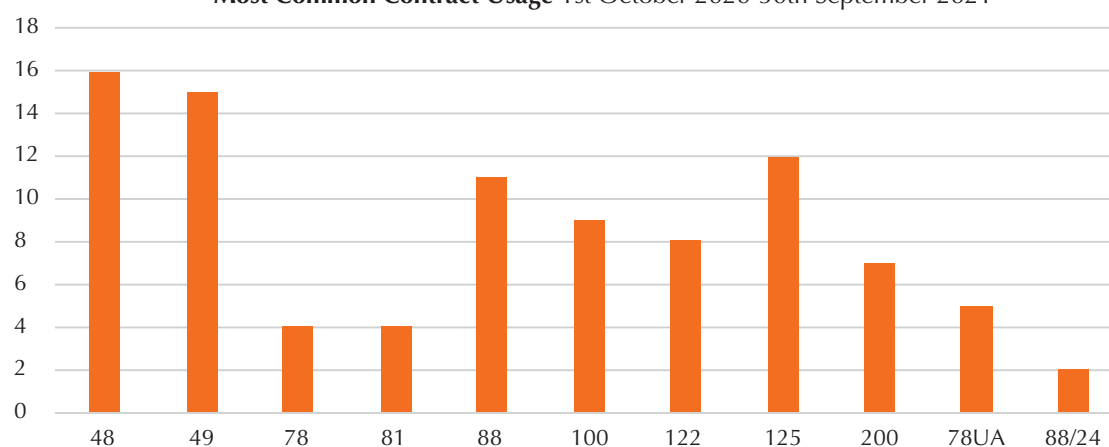
Winner, National Paralegal Awards 2021, Best Arbitration and Mediation Paralegal – **Beth Jameson**



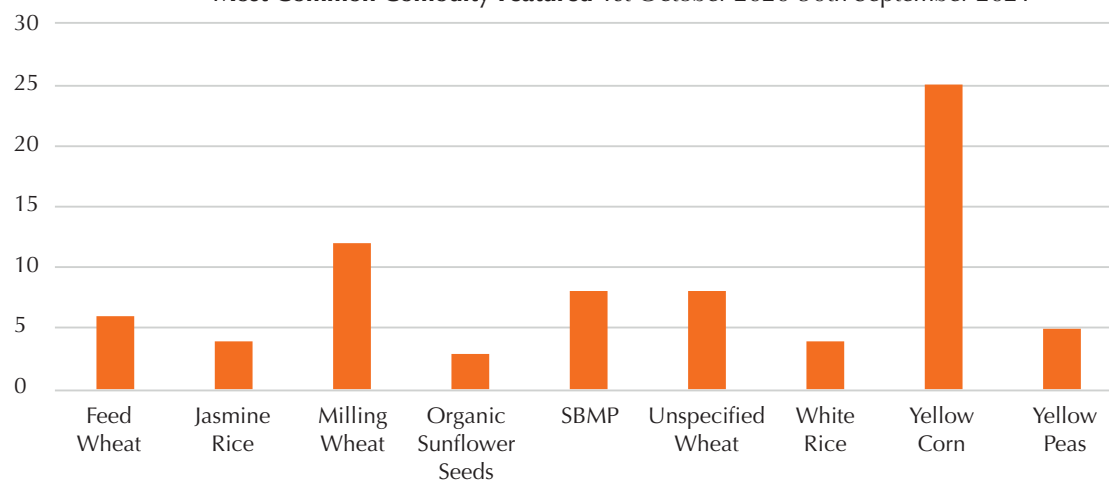
## ARBITRATION STATISTICS

| Period: 1 Oct 2020-30 Sept 2021                          | Total                              |
|----------------------------------------------------------|------------------------------------|
| Number of new First Tier cases                           | 310 (7% increase on previous year) |
| Number of new Appeals                                    | 17 (32% decrease on previous year) |
| Number of First Tier Awards issued                       | 112 (3% increase on previous year) |
| Number of Appeal Awards issued                           | 19 (32% decrease on previous year) |
| Percentage of First Tier Cases that have been Appealed   | 15%                                |
| Percentage of Appeals, where First Tier Award was upheld | 63%                                |

Most Common Contract Usage 1st October 2020-30th September 2021



Most Common Commodity Featured 1st October 2020-30th September 2021



### Damages Awarded

The aggregate value damages awarded for Awards issued between 1 October 2020 and 30 September 2021 is:

Awards issued in US Dollars: **US\$117,426,418.52** (previous year: US\$53,033,214.80)

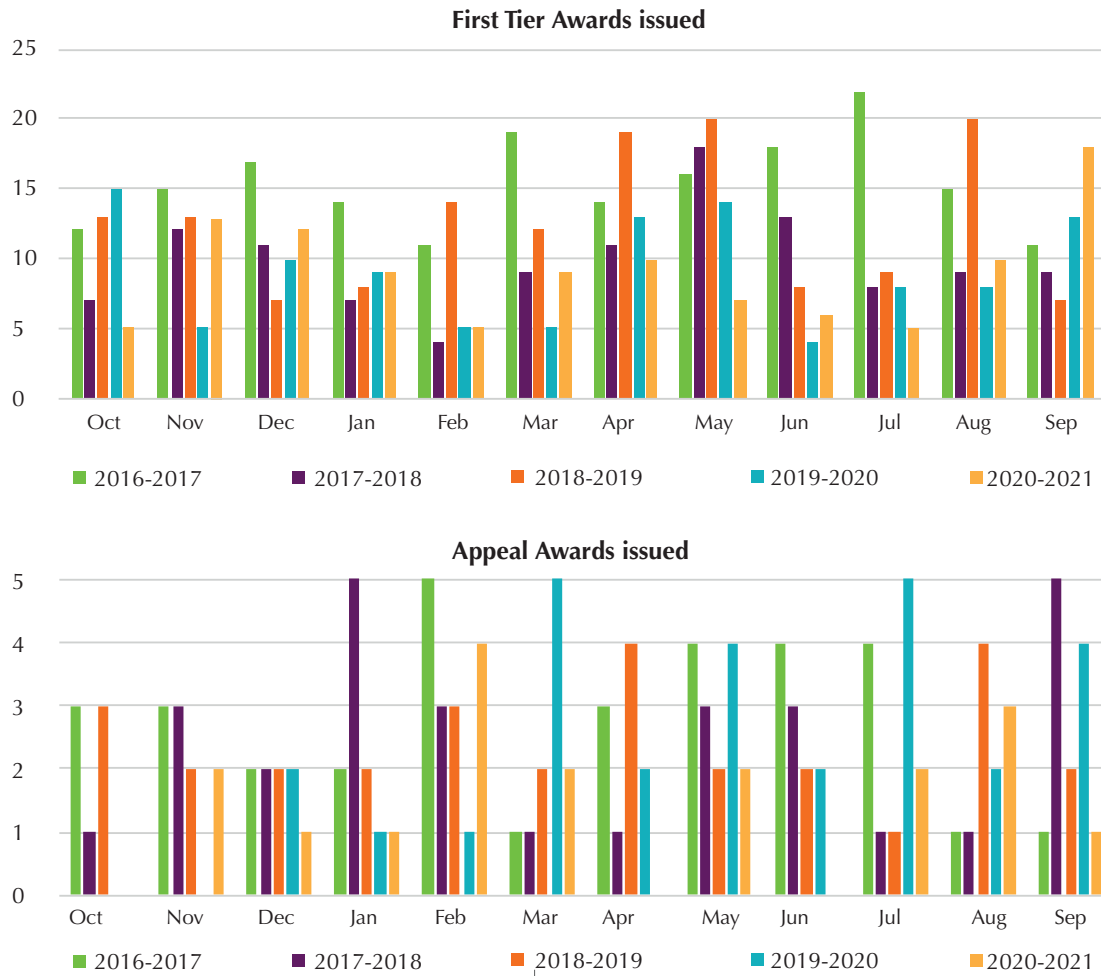
Awards issued in Euros: **€3,904,592.04** (previous year: €2,847,873.53)

There were two awards issued in other currencies.

With all sums converted to US\$, the total damages awarded amounts to **US\$122,876,616.91**  
(previous year: US\$58,098,824.17)



## ARBITRATION STATISTICS



## TRAINING STATISTICS

### Gafta Professional Development Courses

Due to the Covid-19 pandemic, no GPD training courses were held between March 2020 and the start of September 2021. The **Trade Foundation** Course was held 21-24 September 2021 and attended by 24 delegates.

### Online Courses

In response to the challenge of the Covid-19 pandemic prohibiting face-to-face training courses, Gafta transformed the one-day **Know Your Gafta Contracts** seminar into an online seminar split over two days. Six **Know Your Gafta Contracts** online seminars have been held to date. These were attended by 177 delegates in total. This online seminar will continue to be run every quarter in future years.

Two **Fumigation webinars** (including one in Russian language) were held, for Gafta members only, to launch the new standard for Fumigation. These were attended by 98 delegates in total. As an extension of this, Gafta also hosted 4 **Approved Registers webinars** attended by 60 delegates.

In early 2021, Gafta introduced a new **Member Webinar Series**, free of charge to Gafta members only, and has held 2 webinars to date in collaboration with sponsoring law firms. These were attended by 106 delegates in total. Two more webinars are scheduled for later this year, and we intend to continue the series in 2022.

### Distance Learning Programme

108 new students commenced the Gafta Distance Learning Programme (DLP) during the year (compared to 120 last year).

46 DLP students passed module 6, the final DLP module (compared to 12 last year).

### Agribility Short Courses

Across our 16 modules there has been a total of 276 enrolments between 1 October 2020 to 30 September 2021.





## MEMBERSHIP

| Membership by Category    | 2020 | 2021 |
|---------------------------|------|------|
| A – Trading Companies     | 483  | 478  |
| B – Brokers               | 85   | 86   |
| C – Superintendents       | 627  | 610  |
| D – Qualified Arbitrators | 82   | 80   |
| E – Individuals           | 40   | 37   |
| F – Analysts              | 340  | 340  |
| G – Professional Firms    | 69   | 73   |
| H – Branches of Members   | 9    | 9    |

| Membership by Country  | 2020 | 2021 |
|------------------------|------|------|
| Algeria                | 1    | 1    |
| Angola                 | 1    | 1    |
| Argentina              | 83   | 77   |
| Australia              | 27   | 30   |
| Austria                | 4    | 6    |
| Bahrain                | 1    | 0    |
| Bangladesh             | 4    | 4    |
| Belgium                | 15   | 16   |
| Brazil                 | 75   | 73   |
| British Virgin Islands | 2    | 3    |
| Bulgaria               | 28   | 27   |
| Canada                 | 34   | 39   |
| Cayman Islands         | 1    | 1    |
| Chile                  | 6    | 6    |
| China                  | 25   | 26   |
| Colombia               | 2    | 2    |
| Côte d'Ivoire          | 0    | 1    |
| Croatia                | 13   | 11   |
| Cyprus                 | 8    | 6    |
| Czech Republic         | 3    | 3    |
| Denmark                | 18   | 17   |
| Ecuador                | 2    | 3    |
| Egypt                  | 31   | 28   |
| Estonia                | 14   | 14   |
| Ethiopia               | 1    | 1    |
| Finland                | 7    | 8    |
| France                 | 50   | 47   |
| Gabon                  | 0    | 1    |
| Georgia                | 1    | 1    |
| Germany                | 49   | 46   |
| Ghana                  | 1    | 1    |
| Greece                 | 14   | 15   |
| Honduras               | 1    | 1    |
| Hong Kong              | 3    | 3    |
| Hungary                | 27   | 29   |
| Iceland                | 1    | 1    |
| India                  | 57   | 66   |
| Indonesia              | 22   | 24   |
| Iran                   | 17   | 21   |
| Ireland, Republic of   | 7    | 7    |
| Israel                 | 8    | 7    |
| Italy                  | 64   | 63   |
| Japan                  | 2    | 2    |
| Jordan                 | 3    | 2    |
| Kazakhstan             | 12   | 8    |
| Kenya                  | 8    | 8    |
| Latvia                 | 19   | 20   |
| Lebanon                | 5    | 5    |
| Libya                  | 1    | 0    |
| Lithuania              | 22   | 23   |
| Luxembourg             | 3    | 3    |
| Malawi                 | 1    | 1    |

| Membership by Category                   | 2020        | 2021        |
|------------------------------------------|-------------|-------------|
| J – Fumigation Operators                 | 146         | 157         |
| K – International General Produce        | 17          | 15          |
| L – Students                             | 12          | 13          |
| M – Individuals not engaged in the Trade | 1           | 4           |
| Extraordinary Member                     | 1           | 1           |
| <b>Total</b>                             | <b>1912</b> | <b>1903</b> |

| Membership by Country    | 2020        | 2021        |
|--------------------------|-------------|-------------|
| Malaysia                 | 13          | 13          |
| Malta                    | 3           | 3           |
| Mexico                   | 13          | 13          |
| Moldova                  | 6           | 7           |
| Morocco                  | 9           | 9           |
| Myanmar                  | 1           | 1           |
| Netherlands              | 73          | 70          |
| New Zealand              | 1           | 1           |
| Nicaragua                | 1           | 1           |
| Nigeria                  | 2           | 2           |
| Norway                   | 8           | 6           |
| Oman                     | 4           | 4           |
| Pakistan                 | 5           | 5           |
| Paraguay                 | 5           | 5           |
| Peru                     | 6           | 9           |
| Philippines              | 5           | 5           |
| Poland                   | 21          | 18          |
| Portugal                 | 11          | 11          |
| Qatar                    | 2           | 3           |
| Romania                  | 52          | 52          |
| Russia                   | 115         | 112         |
| Saint Kitts and Nevis    | 0           | 1           |
| Saudi Arabia             | 10          | 5           |
| Senegal                  | 1           | 0           |
| Serbia                   | 15          | 15          |
| Singapore                | 32          | 34          |
| Slovakia                 | 2           | 2           |
| Slovenia                 | 3           | 3           |
| South Africa             | 10          | 10          |
| South Korea              | 5           | 5           |
| Spain                    | 47          | 45          |
| Sudan                    | 1           | 2           |
| Sweden                   | 4           | 3           |
| Switzerland              | 102         | 97          |
| Syria                    | 3           | 3           |
| Tanzania                 | 5           | 5           |
| Thailand                 | 16          | 15          |
| Tunisia                  | 4           | 4           |
| Turkey                   | 62          | 66          |
| Uganda                   | 1           | 1           |
| Ukraine                  | 126         | 128         |
| United Arab Emirates     | 46          | 47          |
| United Kingdom           | 142         | 135         |
| United States of America | 74          | 74          |
| Uruguay                  | 24          | 26          |
| Vietnam                  | 12          | 13          |
| Yemen                    | 2           | 2           |
| Zambia                   | 1           | 1           |
| Zimbabwe                 | 2           | 2           |
| <b>Total</b>             | <b>1912</b> | <b>1903</b> |
| <b>Countries</b>         | <b>98</b>   | <b>98</b>   |



## INDEPENDENT AUDITOR'S REPORT

### OPINION

We have audited the financial statements of The Grain and Feed Trade Association (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2021 which comprise the Consolidated Statement of Income and Retained Earnings, the Company Statement Retained Earnings, the Consolidated and Company Balance Sheets, the Consolidated Statement of Cash Flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 30 September 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

### BASIS FOR OPINION

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

### CONCLUSIONS RELATING TO GOING CONCERN

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

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

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

### OTHER INFORMATION

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

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

We have nothing to report in this regard.

### OPINIONS ON OTHER MATTERS PRESCRIBED BY THE COMPANIES ACT 2006

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

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



## MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

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

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

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

## RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement set out on page 35, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

## THE EXTENT TO WHICH THE AUDIT WAS CONSIDERED CAPABLE OF DETECTING IRREGULARITIES, INCLUDING FRAUD

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.



In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102, the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included reviewing financial statement disclosures and evaluation of computations provided by external tax advisors.

The group audit engagement team identified the risk of management override of controls as the area where the financial statements were most susceptible to material misstatement due to fraud.

Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to any significant, unusual transactions and transactions entered into outside the normal course of business.

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

## USE OF OUR REPORT

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

CLAIRE SUTHERLAND (Senior Statutory Auditor)  
For and on behalf of  
RSM UK Audit LLP, Statutory Auditor  
Chartered Accountants  
Blenheim House  
Newmarket Road  
Bury St Edmunds  
Suffolk  
IP33 3SB





## CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS

For the year ended 30 September 2021

|                                                             | Note | 2021              | 2020              |
|-------------------------------------------------------------|------|-------------------|-------------------|
|                                                             |      | £                 | £                 |
| <b>Turnover</b>                                             |      |                   |                   |
| Fees and subscriptions                                      | 2    | 2,460,752         | 2,250,532         |
| Cost of sales                                               |      | <u>-169,428</u>   | <u>-280,644</u>   |
| Gross profit                                                |      | <b>2,291,324</b>  | <b>1,969,888</b>  |
| Staff costs                                                 | 3    | -1,850,678        | -1,969,575        |
| Other administrative expenses                               |      | -1,376,489        | -1,036,471        |
| Other operating income                                      | 4    | <u>948,198</u>    | <u>842,646</u>    |
|                                                             |      | <b>-2,278,969</b> | <b>-2,163,400</b> |
| <b>Group operating profit/(loss)</b>                        | 5    | <b>12,355</b>     | <b>-193,512</b>   |
| Income from fixed asset investments                         | 6    | 124,570           | 62,993            |
| Other interest receivable                                   | 7    | 174               | 5,478             |
| Changes in fair value of fixed asset investments            | 10   | 227,779           | -113,359          |
| <b>Profit/(loss) on ordinary activities before taxation</b> |      | <b>364,878</b>    | <b>-238,400</b>   |
| Taxation on profit on ordinary activities                   | 8    | -119,886          | -16,094           |
| <b>Profit/(loss) for the financial year</b>                 |      | <b>244,992</b>    | <b>-254,494</b>   |
| <b>Other comprehensive income:</b>                          |      |                   |                   |
| Currency translation differences                            |      | -                 | -                 |
| <b>Total comprehensive income/(loss) for the year</b>       |      | <b>244,992</b>    | <b>-254,494</b>   |
| Reserves at 1 October                                       |      | 5,556,329         | 5,810,823         |
| <b>Reserves at 30 September</b>                             |      | <b>5,801,321</b>  | <b>5,556,329</b>  |

## COMPANY STATEMENT OF RETAINED EARNINGS

For the year ended 30 September 2021

|                                         | 2021             | 2020             |
|-----------------------------------------|------------------|------------------|
|                                         | £                | £                |
| Reserves at 1 October 2020              | 5,531,892        | 5,790,780        |
| Total comprehensive income for the year | 247,122          | -258,888         |
| <b>Reserves at 30 September 2021</b>    | <b>5,779,014</b> | <b>5,531,892</b> |

All amounts relate to continuing activities. There are no other gains or losses.

The notes on pages 25-31 form part of these financial statements.



# CONSOLIDATED AND COMPANY BALANCE SHEET

at 30 September 2021

Company Registration number 1006456

|                                                | Note | 2021             |       |                  | 2020             |       |                  |
|------------------------------------------------|------|------------------|-------|------------------|------------------|-------|------------------|
|                                                |      | Group            | Group | Company          | Group            | Group | Company          |
|                                                |      | £                | £     | £                | £                | £     | £                |
| <b>Fixed assets</b>                            |      |                  |       |                  |                  |       |                  |
| Tangible assets                                | 9    | 3,218,418        |       | 3,218,418        | 3,454,847        |       | 3,454,847        |
| Investments                                    | 10   | 3,390,223        |       | 3,418,448        | 3,146,790        |       | 3,175,015        |
| Current assets                                 |      |                  |       |                  |                  |       |                  |
| Debtors                                        | 11   | 930,999          |       | 930,999          | 1,083,806        |       | 1,083,806        |
| Cash at bank and in hand                       | 12   | 2,618,719        |       | 2,587,550        | 2,119,459        |       | 2,085,500        |
|                                                |      | <b>3,549,718</b> |       | <b>3,518,549</b> | <b>3,203,265</b> |       | <b>3,169,306</b> |
| Creditors: amounts falling due within one year | 13   | -4,175,892       |       | -4,195,255       | -4,142,381       |       | -4,161,084       |
| Net current liabilities                        |      | <b>-626,174</b>  |       | <b>-676,706</b>  | <b>-939,116</b>  |       | <b>-991,778</b>  |
| Provisions for liabilities                     |      |                  |       |                  |                  |       |                  |
| Provision for deferred taxation                | 8(d) | -181,146         |       | -181,146         | -106,192         |       | -106,192         |
|                                                |      | <b>-181,146</b>  |       | <b>-181,146</b>  | <b>-106,192</b>  |       | <b>-106,192</b>  |
| Total assets less current liabilities          |      | <b>5,801,321</b> |       | <b>5,779,014</b> | <b>5,556,329</b> |       | <b>5,531,892</b> |
| Income and expenditure reserve                 |      | <b>5,801,321</b> |       | <b>5,779,014</b> | <b>5,556,329</b> |       | <b>5,531,892</b> |

The pre-tax Profit for The Grain and Feed Trade Association (including the branches of Gafta Geneva and Gafta Beijing) for the year ended 30 September 2021 was £366,332. No separate Statement of Income and Retained Earnings has been presented for the company as permitted by section 408 of the Companies Act 2006.

The notes on pages 25 to 31 form part of these financial statements. These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

Approved and authorised for issue by the Council on 10th December 2021 and signed on its behalf by:

**Gavin Millar, President**

**Rory Donnelly, Deputy President**

**Jaine Chisholm Caunt, Director General**



# CONSOLIDATED STATEMENT OF CASH FLOWS

For the year ended 30 September 2021

|                                                                               | Note | 2021<br>£        | 2020<br>£        |
|-------------------------------------------------------------------------------|------|------------------|------------------|
| <b>Cash flows from operating activities</b>                                   |      |                  |                  |
| <b>Profit/(loss) for the financial year</b>                                   |      | 244,992          | -254,494         |
| Adjustments for                                                               |      |                  |                  |
| Depreciation and impairment of fixed assets                                   | 9    | 264,457          | 31,939           |
| Net fair value (gains)/losses on fixed asset investments recognised in income | 10   | -227,779         | 113,359          |
| Interest receivable                                                           | 7    | -174             | -5,478           |
| Dividend income from fixed asset investments                                  | 6    | -91,058          | -82,218          |
| (Profit)/loss on disposal of fixed asset investments                          | 6    | -33,512          | 19,225           |
| Taxation expense                                                              | 8    | 119,886          | 16,094           |
| Decrease/(increase) in debtors                                                | 11   | 152,807          | -222,121         |
| Increase in provisions                                                        | 8(d) | 74,954           | 8,510            |
| Increase in creditors                                                         | 13   | 33,511           | 33,170           |
| <b>Cash from operations</b>                                                   |      | <b>538,084</b>   | <b>-342,014</b>  |
| Taxation paid                                                                 | 8    | -119,886         | -16,094          |
| <b>Net cash generated from/(utilised in) operating activities</b>             |      | <b>418,198</b>   | <b>-358,108</b>  |
| <b>Cash flows from investing activities</b>                                   |      |                  |                  |
| Interest received                                                             | 7    | 174              | 5,478            |
| Dividends received from fixed asset investments                               | 6    | 91,058           | 82,218           |
| Purchase of tangible fixed assets                                             | 9    | -28,028          | -189,747         |
| Purchase of fixed asset investments                                           | 10   | -310,967         | -843,855         |
| Sale of fixed asset investments                                               | 10   | 328,825          | 593,952          |
| <b>Net cash from investing activities</b>                                     |      | <b>81,062</b>    | <b>-351,954</b>  |
| <b>Net increase/(decrease) in cash and cash equivalents</b>                   |      | <b>499,260</b>   | <b>-710,062</b>  |
| Cash and cash equivalents at beginning of the year                            |      | 2,119,459        | 2,829,521        |
| Foreign exchange gains and losses                                             |      | -                | -                |
| <b>Cash and cash equivalents at end of the year</b>                           |      | <b>2,618,719</b> | <b>2,119,459</b> |

The notes on pages 25-31 form part of these financial statements.



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 1 ACCOUNTING POLICIES

### General information

The Grain and Feed Trade Association is a company limited by membership guarantee and is registered, domiciled and incorporated in England and Wales. Company Number 1006456.

### Basis of accounting

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2006, including the provisions of Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

Monetary amounts in these financial statements are rounded to the nearest whole £1, except where otherwise indicated.

### Basis of consolidation

The consolidated financial statements present the results of The Grain and Feed Trade Association (including the branch offices Gafta Geneva and Gafta Beijing), Gafta Kiev and Gafta Singapore, which are consolidated on a line by line basis, as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

### Turnover

Subscriptions represent amounts receivable in respect of the year to which they relate. Subscriptions received in advance are shown in deferred income. Income from arbitration award fees is recognised in the period in which the award is issued. Training courses, analysts’ income and secretariat fees are recognised on a receivable basis in line with when the services are provided. All income excludes value added tax. Turnover attributable to markets outside of the UK accounted for 93.4% of total fees and subscriptions (2020: 93.5%). Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

### Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation and are depreciated on a straight line basis, to their residual value, over their estimated useful lives at an annual rate of:

**Freehold Buildings 2%**

**Office Furniture 10%**

**Office Equipment 20%**

Freehold land is not depreciated

### Income from Fixed Asset Investments

Interest income from fixed asset investments is accounted for on an accruals basis. Dividends and capital gains are recognised when declared and the related investment sold respectively.

### Fixed Asset Investments

Investments in listed company shares, which have been classified as fixed asset investments, are re-measured to market value at each balance sheet date. Changes in fair value are recognised in the Statement of Income and Retained Earnings.

Investments in subsidiaries are measured at cost less accumulated impairment.

### Financial instruments

The Company has elected to apply the provisions of Section 11 ‘Basic Financial Instruments’ and Section 12 ‘Other Financial Instruments Issues’ of FRS 102, in full, to all of its financial instruments.



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### Financial assets

Trade debtors (including accrued income) which are receivable within one year are initially measured at the transaction price and subsequently measured at amortised cost, being the transaction price less any amounts settled and any impairment losses.

### Financial liabilities

Trade, group and other creditors (including accruals) payable within one year are initially measured at the transaction price and subsequently measured at amortised cost, being transaction price less any amounts settled.

### Pension Scheme

The Company operates a defined contribution superannuation benefit scheme. Assets of the scheme are held separately from the company in an independent fund. The pension cost charge represents the contributions payable under the scheme by the company to the fund.

### Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable.

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

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

Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is recognised on income or expenses from subsidiaries and branches that will be assessed to or allow for tax in a future period except where the Company is able to control the reversal of the timing difference and it is probable that the timing difference will not reverse in the foreseeable future.

Current tax assets and current tax liabilities and deferred tax assets and deferred tax liabilities are offset, if and only if, there is a legally enforceable right to set off the amounts and the entity intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

### Foreign Currency Translation

#### (a) Functional and presentation currency

Items included in the financial statements of each of the group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in pounds sterling, which is the company's functional and the group's presentation currency.

On consolidation, the results of overseas operations are translated into sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

## *(b) Transactions and balances*

Foreign currency transactions are translated into the group entity's functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of Income and Retained Earnings.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Income and Retained Earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of Income and Retained Earnings within 'other operating income'.

## **Going Concern**

The consolidated Balance Sheet at 30 September 2021 shows net current liabilities of £626,174 (2020: Net current liabilities of £939,116 restated). Creditors include deferred income of £2,103,390 (2020: £2,118,055) in relation to membership and event fees to be recognised in the following year.

The listed investment portfolio is valued at £3,390,223 (2020: £3,146,790) and, although classified here as a fixed asset because of its intended long-term duration, is in reality highly liquid in nature.

The on-going impact of COVID-19 has been specifically considered by Council. Budgets and forecasts have been prepared for the twelve months following sign-off of these financial statements, and these support the Council opinion that Gafta has adequate resources to continue to operate for the foreseeable future. For this reason, the Council believes that it is appropriate to prepare the financial statements on a going concern basis.

## **Operating Leases**

Rentals payable under operating leases are charged on a straight-line basis over the term of the lease.

## **Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which has accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

## **Termination Payments**

Termination benefits are payable when employment is terminated by Gafta or whenever an employee accepts voluntary redundancy in exchange for these benefits. Gafta recognises termination benefits when a fully signed settlement agreement is in place, or when the cost has otherwise been confirmed or committed.

## **2 ANALYSIS OF TURNOVER**

|                      | 2021             | 2020             |
|----------------------|------------------|------------------|
|                      | £                | £                |
| Membership fees      | 1,913,126        | 1,755,648        |
| Arbitration services | 547,626          | 494,884          |
|                      | <b>2,460,752</b> | <b>2,250,532</b> |



## NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

### 3 EMPLOYEES

|                                   | Group<br>2021<br>£ | Company<br>2021<br>£ | Group<br>2020<br>£ | Company<br>2020<br>£ |
|-----------------------------------|--------------------|----------------------|--------------------|----------------------|
| Staff costs consist of:           |                    |                      |                    |                      |
| Wages and salaries                | 1,506,953          | 1,248,808            | 1,605,756          | 1,349,953            |
| Social security costs             | 145,046            | 145,046              | 145,196            | 145,196              |
| Defined contribution pension cost | 134,878            | 134,878              | 149,856            | 149,856              |
| Other staff costs                 | 63,801             | 60,126               | 68,767             | 62,102               |
|                                   | <u>1,850,678</u>   | <u>1,588,858</u>     | <u>1,969,575</u>   | <u>1,707,107</u>     |

The average number of employees during the year was as follows:

|           | Group<br>2021<br>No. | Company<br>2021<br>No. | Group<br>2020<br>No. | Company<br>2020<br>No. |
|-----------|----------------------|------------------------|----------------------|------------------------|
| London    | 17                   | 17                     | 18                   | 18                     |
| Kiev      | 5                    |                        | 5                    |                        |
| Geneva    | 1                    | 1                      | 1                    | 1                      |
| Beijing   | 1                    | 1                      | 1                    | 1                      |
| Singapore | 1                    |                        | 1                    |                        |
|           | <u>25</u>            | <u>19</u>              | <u>26</u>            | <u>20</u>              |

### 4 OTHER OPERATING INCOME

|                                         | 2021<br>£      | 2020<br>£      |
|-----------------------------------------|----------------|----------------|
| Approved Registers income               | 617,595        | 450,851        |
| Events                                  | 27,840         | 18,166         |
| Training and DLP                        | 289,599        | 370,779        |
| Coronavirus job retention scheme income | 10,764         | 0              |
| Other income                            | 2,400          | 2,850          |
|                                         | <u>948,198</u> | <u>842,646</u> |

### 5 OPERATING PROFIT

|                                                                                      | 2021<br>£ | 2020<br>£ |
|--------------------------------------------------------------------------------------|-----------|-----------|
| This is arrived at after charging/(crediting):                                       |           |           |
| Depreciation and impairment of tangible fixed assets                                 | 264,457   | 31,939    |
| Amounts payable under operating leases                                               | 60,496    | 53,008    |
| Fees payable to the company's auditor for the audit of the company's annual accounts | 14,250    | 13,550    |
| Fees payable to the company's auditor for taxation compliance services               | 4,150     | 3,500     |
| Defined contribution pension cost                                                    | 134,878   | 149,856   |
| Government grants                                                                    | -10,764   | 0         |

### 6 INCOME FROM FIXED ASSET INVESTMENTS

|                                                      | 2021<br>£      | 2020<br>£     |
|------------------------------------------------------|----------------|---------------|
| Interest and dividends received                      | 91,058         | 82,218        |
| Profit/(loss) on disposal of fixed asset investments | 33,512         | -19,225       |
|                                                      | <u>124,570</u> | <u>62,993</u> |

### 7 OTHER INTEREST RECEIVABLE

|                                      | 2021<br>£ | 2020<br>£ |
|--------------------------------------|-----------|-----------|
| Interest on deposits and investments | 174       | 5,478     |





# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 8 TAXATION

|                                                      | Consolidated<br>2021<br>£ | Consolidated<br>2020<br>£ |
|------------------------------------------------------|---------------------------|---------------------------|
| <b>a) The tax charge comprises:</b>                  |                           |                           |
| <b>Current tax:</b>                                  |                           |                           |
| UK corporation tax on surplus for the year           | 42,512                    | 7,631                     |
| Overseas tax                                         | 2,420                     | 545                       |
| Adjustments in respect of previous periods           | 0                         | -592                      |
| Total current tax (note 8(b))                        | 44,932                    | 7,584                     |
| <b>Deferred Tax</b>                                  |                           |                           |
| Origination and reversal of timing differences       | 41,420                    | -3,575                    |
| Adjustments in respect of prior periods              | 0                         | 530                       |
| Effect of tax rate change on opening balance         | 33,534                    | 11,555                    |
| Tax on surplus on ordinary activities                | 119,886                   | 16,094                    |
| <b>b) Factors affecting tax charge for the year:</b> |                           |                           |
| (Loss)/profit on ordinary activities before tax      | 366,332                   | -242,966                  |

Profit/(loss) on ordinary activities multiplied by the small companies rate of corporation tax in the UK of 19% (2020: 19%)

69,603 -46,164

### Effects of:

|                                                                  |         |         |
|------------------------------------------------------------------|---------|---------|
| Fixed asset timing differences                                   | 15,922  | 5,434   |
| Expenses not deductible for taxation purposes                    | 4,369   | 96,438  |
| Income not taxable for tax purposes                              | -67,576 | 0       |
| Adjustments to brought forward values                            | 0       | 0       |
| Non taxable dividend income                                      | -9,849  | -8,132  |
| Chargeable gains/(losses)                                        | 47,331  | -20,155 |
| Adjustment to tax charge in respect of prior year                | 0       | -592    |
| Adjustment to tax charge in respect of prior year - deferred tax | 0       | 530     |
| Overseas tax                                                     | 2,420   | 545     |
| Adjust opening deferred tax to average rate of 19%               | 0       | 0       |
| Adjust closing deferred tax to average rate of 19%               | 0       | 0       |
| Remeasurement of deferred tax for changes in tax rates           | 47,490  | 11,927  |
| Deferred tax not recognised                                      | 10,176  | -23,737 |
| Other movements in respect of deferred tax                       | 0       | 0       |
| Current tax charge for period (note 8(a))                        | 119,886 | 16,094  |

### c) Factors that may affect future tax charges

At the end of the year the Association had unutilised trade losses carried forward of approximately £41,097 (2020: £41,097).

### d) Deferred tax

|                                                                              | 2021<br>£ | 2020<br>£ |
|------------------------------------------------------------------------------|-----------|-----------|
| Provision at 1 October                                                       | 106,192   | 97,682    |
| Deferred tax charged in the Statement of comprehensive income for the period | 74,954    | 8,510     |
| Provision at 30 September                                                    | 181,146   | 106,192   |
| Accelerated capital allowances                                               | 19,022    | 26,828    |
| Short term timing differences                                                | -192      | -146      |
| Capital gains                                                                | 162,316   | 79,510    |
|                                                                              | 181,146   | 106,192   |



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 9 TANGIBLE FIXED ASSETS

|                                     | Freehold land<br>and buildings | Office<br>Equipment | Office<br>Furniture | Total            |
|-------------------------------------|--------------------------------|---------------------|---------------------|------------------|
| Cost                                | £                              | £                   | £                   | £                |
| At 1 October 2020                   | 3,600,000                      | 214,920             | 95,370              | 3,910,290        |
| Additions                           |                                | 28,028              |                     | 28,028           |
| Disposals                           |                                | -25,172             |                     | -25,172          |
| <b>At 30 September 2021</b>         | <b>3,600,000</b>               | <b>217,776</b>      | <b>95,370</b>       | <b>3,913,146</b> |
| <b>Depreciation</b>                 |                                |                     |                     |                  |
| At 1 October 2020                   | 334,080                        | 26,590              | 94,773              | 455,443          |
| Charge for year                     | 55,680                         | 46,355              | 594                 | 102,629          |
| Impairment provision                |                                | 161,828             |                     | 161,828          |
| Disposals                           |                                | -25,172             |                     | -25,172          |
| <b>At 30 September 2021</b>         | <b>389,760</b>                 | <b>209,601</b>      | <b>95,367</b>       | <b>694,728</b>   |
| Net book value at 30 September 2021 | 3,210,240                      | 8,175               | 3                   | 3,218,418        |
| Net book value at 30 September 2020 | 3,265,920                      | 188,330             | 597                 | 3,454,847        |

## 10 FIXED ASSET INVESTMENTS GROUP AND COMPANY

|                                               | Group<br>2021    | Company<br>2021  | Group<br>2020    | Company<br>2020  |
|-----------------------------------------------|------------------|------------------|------------------|------------------|
|                                               | £                | £                | £                | £                |
| Opening fair value                            | 3,146,790        | 3,146,790        | 3,029,471        | 3,029,471        |
| Additions                                     | 310,967          | 310,967          | 843,855          | 843,855          |
| Disposals                                     | -295,313         | -295,313         | -613,177         | -613,177         |
| Gains/(losses) on remeasurement to fair value | 227,779          | 227,779          | -113,359         | -113,359         |
| Investment in subsidiary company              | 0                | 28,225           |                  | 28,225           |
| <b>Market value</b>                           | <b>3,390,223</b> | <b>3,418,448</b> | <b>3,146,790</b> | <b>3,175,015</b> |
| <b>Historical cost</b>                        | <b>2,992,051</b> | <b>3,020,276</b> | <b>2,976,397</b> | <b>3,004,622</b> |

## 11 DEBTORS GROUP AND COMPANY

|                                | 2021           | 2020             |
|--------------------------------|----------------|------------------|
|                                | £              | £                |
| Trade debtors                  | 769,687        | 837,892          |
| Prepayments and accrued income | 161,312        | 245,914          |
|                                | <b>930,999</b> | <b>1,083,806</b> |

## 12 CASH AT BANK AND IN HAND

Group and Company cash and cash equivalents include the sum of £1,587,181 (2020: £1,519,988) held on behalf of third parties as deposits in relation to open arbitration cases (note 13). This sum is not available for use by Gafta.

## 13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

(2020 restated see note 19)

|                                                               | Group<br>2021    | Company<br>2021  | Group<br>2020 as restated | Company<br>2020 as restated |
|---------------------------------------------------------------|------------------|------------------|---------------------------|-----------------------------|
|                                                               | £                | £                | £                         | £                           |
| Members subscriptions and training income rendered in advance | 2,103,390        | 2,103,390        | 2,118,055                 | 2,118,055                   |
| Trade creditors                                               | 229,672          | 229,672          | 236,184                   | 236,184                     |
| Arbitration creditor - Deposits held                          | 1,587,181        | 1,587,181        | 1,519,988                 | 1,519,988                   |
| Corporation tax                                               | 42,511           | 42,511           | 7,631                     | 7,631                       |
| Other tax and social security                                 | 48,545           | 43,108           | 48,294                    | 42,612                      |
| Due to subsidiary                                             | 0                | 28,225           | 0                         | 28,225                      |
| Accruals and deferred income                                  | 164,593          | 161,168          | 212,229                   | 208,389                     |
|                                                               | <b>4,175,892</b> | <b>4,195,255</b> | <b>4,142,381</b>          | <b>4,161,084</b>            |



# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## 14 LIABILITY OF MEMBERS

Every Member of the Association undertakes to contribute to the assets of the Association in the event of the same being wound up during the time he is a Member, or within one year afterwards, for the payment of the debts and liabilities of the Association contracted before the time at which he ceases to be a Member, and of the costs, charges and expenses of winding up the same and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding £10.

## 15 RELATED PARTY TRANSACTIONS

In accordance with FRS102 the following transaction is disclosed. There has been no change in President this year and no ex-gratia payment has been made to the immediate Past President of the Association (2020: Mr Swithun Still £14,000).

## 16 PENSION FUND

The company operates a defined contribution superannuation benefit scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £134,774 (2020: £149,856).

## 17 COMMITMENTS UNDER OPERATING LEASES

The group had total future minimum lease payments under non-cancellable operating leases as set out below:

| Group                | Land & buildings<br>2021 | Other<br>2021 | Land & buildings<br>2020 | Other<br>2020 |
|----------------------|--------------------------|---------------|--------------------------|---------------|
| Amounts due:         | £                        | £             | £                        | £             |
| Within one year      | 46,196                   | 11,215        | 49,060                   | 12,171        |
| In two to five years | 34,647                   | 6,542         | 85,605                   | 17,678        |
|                      | <u>80,843</u>            | <u>17,757</u> | <u>134,665</u>           | <u>29,849</u> |

| Company              | Land & buildings<br>2021 | Other<br>2021 | Land & buildings<br>2020 | Other<br>2020 |
|----------------------|--------------------------|---------------|--------------------------|---------------|
| Amounts due:         | £                        | £             | £                        | £             |
| Within one year      | 0                        | 11,215        | 0                        | 12,171        |
| In two to five years | 0                        | 6,542         | 0                        | 17,678        |
|                      | <u>0</u>                 | <u>17,757</u> | <u>0</u>                 | <u>29,849</u> |

## 18 FINANCIAL INSTRUMENTS (GROUP AND COMPANY)

The carrying amount of each category of the Company's financial instruments held at fair value through profit or loss at 30 September were:

|                                                                 | 2021<br>£        | 2020<br>£        |
|-----------------------------------------------------------------|------------------|------------------|
| Financial assets measured at fair value through profit or loss: |                  |                  |
| Investments                                                     | 3,390,223        | 3,146,790        |
| <b>Total</b>                                                    | <u>3,390,223</u> | <u>3,146,790</u> |

## 19 RESTATEMENT

The appropriate classification of deferred tax has been revisited and as a result deferred tax previously presented within Corporation tax creditors has been reclassified and is now presented within provisions. The corresponding figures have been restated accordingly to ensure comparability.

|            | As previously reported<br>Group<br>2020 | As previously reported<br>Company<br>2020 | Restatement restated<br>Group<br>2020 | Restatement restated<br>Company<br>2020 |
|------------|-----------------------------------------|-------------------------------------------|---------------------------------------|-----------------------------------------|
| Creditors  | 4,248,573                               | 4,267,276                                 | 4,142,381                             | 4,161,084                               |
| Provisions | <u>0</u>                                | <u>0</u>                                  | <u>106,192</u>                        | <u>106,192</u>                          |



## COUNCIL'S REPORT

For the year ended 30 September 2021

The Grain and Feed Trade Association (Gafta) is a private company limited by guarantee incorporated in England and Wales, United Kingdom.

### Principal Activities

Gafta's principal activities are to promote and protect trade in agricultural commodities and general produce and to support and protect the character, status and interests of all persons engaged therein; to promote the consideration and discussion of all questions affecting the Trade; to establish for the Trade uniform documents for commercial usage, in particular forms of contract, and to provide facilities for the settlement of disputes by arbitration or mediation.

### Directors

Council members (who are considered to be the directors for Companies Act purposes) who held office during the year are detailed on page 34.

### Accounts

The consolidated Accounts show a profit after taxation and translation differences for the year of £244,992. The comparable figure for the previous year was a loss of £254,494. The balance on the income and expenditure reserve is £5,801,321 (2020: £5,556,329).

### Primary Risks

Gafta is a membership association supported by annual subscriptions as well as fees for specific events and services. Subscription levels are set in order to cover costs and not in order to achieve annual profits per se. Gafta is reliant on strong and stable membership numbers to meet its financial and member commitments.

The income generated from Gafta's accumulated investments is a crucial element of its overall income. In order to ensure that these investments are managed wisely professional fund managers are engaged, however ultimately this income is dependent upon factors outside of Gafta's direct control.

### Investments

The listed investment portfolio was valued at 30th September 2021 at £3,390,223 (cost: £2,992,051). This compares with £3,146,790 for the previous year (cost: £2,976,397).

### Liquidity

The consolidated Balance Sheet at 30 September 2021 shows net current liabilities of £626,174 (2020: net current liabilities of £939,116 restated). Creditors include deferred income of £2,103,390 (2020: £2,118,055) in relation to membership and training and event fees to be recognised in the following year. The listed investment portfolio is valued at £3,390,223 (2020: £3,146,790) and, although classified here as a fixed asset because of its intended long-term duration, is in reality highly liquid in nature.

The Management and Council are satisfied that Gafta has sufficient current funds available to meet its financial commitments.

### Staff

The average number of staff during the year was 25 (2020: 26).

### Donations

Donations made by Gafta to charitable organisations amount to £6,680 (2020: £6,180).

### Disclosure of Information to Auditors

So far as each of the Council Members at the time that this report was approved are aware there is no relevant audit information of which the auditors are unaware and they have taken all steps they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditors are aware of that information.

### Auditors

RSM UK Audit LLP have expressed their willingness to continue as auditors and a resolution for the reappointment of RSM UK Audit LLP and to authorise the Council to agree their remuneration will be proposed for the forthcoming annual general meeting.

### Future Development

Council will agree its Strategic Plan and organisational Key Performance Indicators at the January 2022 Council meeting.





## COUNCIL'S REPORT

For the year ended 30 September 2021

The Council reviewed the Association's charges for the year which have remain unchanged from 2020/21, as follows:

|                                                                |          |
|----------------------------------------------------------------|----------|
| Category A – Traders                                           | £1,700pa |
| Category B – Brokers                                           | £900pa   |
| Category C – Superintendents                                   | £1,300pa |
| <i>Less discounts under the Superintendents Scheme</i>         |          |
| Category D – Arbitrators                                       | £150pa   |
| <i>Or 5% previous year's income but not more than £1,700pa</i> |          |
| Category E – Individuals                                       | £150pa   |
| Category F – Analysts                                          | £650pa   |
| <i>Plus ring test costs</i>                                    |          |
| Category G – Professionals                                     | £900pa   |
| Category H – Branches                                          | £300pa   |
| Category J – Fumigation Operators                              | £800pa   |
| Category K – General Produce                                   | £600pa   |

The Council have taken advantage of the small companies' exemption in preparing the Council's Report.

By order of the Council

**Gavin Millar**

**President**

**10th December 2021**



## THE COUNCIL

In order of retirement:

|                |                                                            |                      |
|----------------|------------------------------------------------------------|----------------------|
| J-C Fages      | Sierentz Global Merchants, Switzerland                     | To 21 January 2021   |
| S Devos        | Koepta SRL, Romania                                        | To 21 January 2021   |
| A Korchmaryova | Cotecna Ukraine Ltd, Ukraine                               | To 21 January 2021   |
| T Nehls        | ADM Germany GmbH, Germany                                  | To 21 January 2021   |
| F Saricali     | COFCO Tarim Ticaret A.S., Turkey                           | To 21 January 2021   |
| A Tulshan      | Esarco Exim Pvt. Ltd., India                               | To 21 January 2021   |
| A Cam          | SGS Supervise Gozetme Etud Kontrol Servisleri A.S., Turkey | To 21 January 2021   |
| W Bacon        | Hammersmith Marketing Limited, Bahamas                     |                      |
| Z Kocza        | Cargill Magyarország Zrt., Hungary                         |                      |
| S Li           | China                                                      |                      |
| G Ranovsky     | Louis Dreyfus Argentina S.A., Argentina                    |                      |
| J Cowens       | United Kingdom                                             | From 29 January 2021 |
| J Hawkins      | Bunge S.A., Switzerland                                    | From 29 January 2021 |
| S Agniel       | Agniel Commodities, L.L.C., United States                  |                      |
| P Hughes       | Viterra Australia Pty Ltd, Australia                       |                      |
| V Iyengar      | Agrocorp International Pte Ltd., Singapore                 |                      |
| R Jones        | Archer Daniels Midland Co., United States                  |                      |
| D Martinez     | Cefetra Ibérica, S.L., Spain                               |                      |
| B Salhofer     | InVivo Trading SAS, France                                 |                      |
| G Millar       | Gemcom Ltd, United Kingdom – President                     |                      |
| R Donnelly     | Comex McKinnon Ltd, Ireland – Deputy President             |                      |
| J-R Senger     | Soufflet Negoce, France – Vice President                   |                      |
| S Bell         | Cefetra Ltd, United Kingdom                                | From 21 January 2021 |
| P Harrison     | SGS Société Générale de Surveillance SA, Switzerland       | From 21 January 2021 |
| N Hogarth      | CHS Europe SARL, Switzerland                               | From 21 January 2021 |



## STATEMENT OF THE COUNCIL'S RESPONSIBILITIES

The Council who, together with the Director General, are the Directors for Companies Act purposes) is responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulations.

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

In preparing these financial statements, the Council are required to:

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

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

Financial statements are published on the company's website in accordance with the legislation in the United Kingdom governing the preparation and dissemination of financial statements, which may vary from legislation in other jurisdictions. The maintenance and integrity of the company's website is the responsibility of the Council. The Council's responsibility also extends to the ongoing integrity of the financial statements contained therein.



THE GRAIN AND FEED  
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