STC RESEARCH FOUNDATION

England & Wales · Charity number 1106618

Details

Other names	STC RESEARCH LIMITED
Status	Registered
Legal form	Charitable company
Company number	05225211
Registered	2004-11-05
Register	View on the Charity Commission register

Contact

Address	Stockbridge House Cawood Selby North Yorkshire YO8 3TZ
Phone	01757268275
Email	enquiries@stc-nyorks.co.uk
Website	www.stockbridgeonline.co.uk

Activities

Objects: TO PROMOTE AGRARIAN PRACTICES THROUGH THE PROMOTION OF RESEARCH FOR THE BENEFIT OF THE PUBLIC AT LARGE ESPECIALLY BUT NOT EXCLUSIVELY THROUGH THE PROVISION OF RESEARCH FACILITIES CONDUCT OF RESEARCH AND EXPERIMENTS TRAINING AND THE PROVISION OF LECTURES AND THE DISSEMINATION OF SUCH RESEARCH RESULTS.

Activities: Working with primary schools in the area to help them understand food production and increase consumption of fruit and vegetables. Holding free open days for the public to reconnect them with farming and countryside. Hosting visits from HE and FE colleges and holding technology transfer events for farmers and growers. Working with public sector organisations on health projects.

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Classification

- **How:** Provides Buildings/facilities/open Space, Provides Services, Provides Advocacy/advice/information, Sponsors Or Undertakes Research, Acts As An Umbrella Or Resource Body
- **What:** General Charitable Purposes, Education/training, Economic/community Development/employment
- **Who:** Children/young People, Other Charities Or Voluntary Bodies, Other Defined Groups, The General Public/mankind

Geography

- **Area of benefit:** NOT DEFINED. IN PRACTICE CAWOOD
- North Yorkshire

Finances

Period end	Income	Expenditure	Assets	Employees
2024-12-31	£2,468,006	£2,040,395	£4,142,800	32
2023-12-31	£2,431,691	£2,069,787	£3,725,189	34
2022-12-31	£2,223,008	£1,950,386	£3,367,268	34
2021-12-31	£1,899,960	£1,742,456	£3,039,630	33
2020-12-31	£1,905,941	£1,337,647	£2,889,845	37

Trustees

Name	Role	Appointed
Dr David George FRES		2019-09-26
MARTIN MEREDITH EVANS		
Mr Nigel D Bartle		2014-05-12
PETER RICHARD BRANFIELD		

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STC RESEARCH FOUNDATION

England & Wales - Charity number 1106618

Accounts

Registered number: 05225211 (England and Wales)
Charity Number: 1106618

STC Research Foundation
(Company Limited by Guarantee)

Trustees' Report and Financial Statements

for the year ended 31 December 2024

STC Research Foundation

Contents

	Page
Charity Information	1
Trustees' Report	2
Independent Auditor's Report	7
Consolidated Statement of Financial Activities	10
Consolidated Balance Sheet	11
Charity Balance Sheet	12
Consolidated Statement of Cash Flows	13
Notes to the Financial Statements	14

STC Research Foundation

Charity Information

Trustees
N D Bartle
P R Branfield
M M Evans
Dr D George

Company registered number
05225211 (England and Wales)

Charity registered number
1106618

Registered office
Stockbridge House
Cawood
Selby
YO8 3TZ

Company Secretary
J K Langdale

Auditor
Azets Audit Services Limited
12 King Street,
Leeds,
LS1 2HL

Bankers
Virgin Money
46 Coney Street
York
YO1 9NQ

Solicitors
Swineburne Maddison LLP
Venture House
Aykley Heads Business Centre
Durham
DH1 5TS

STC Research Foundation

Trustees' Report for the year ended 31 December 2024

The Trustees present their annual report together with the audited financial statements of STC Research Foundation and Stockbridge Technology Limited for the year ended 31 December 2024. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable group comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommendation Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to UK and the Republic of Ireland (FRS 102) (effective 1 January 2019).

Reference and administrative details

The charity information on page 1 forms part of this Trustees' report.

Objectives and Activities

The company is a Charity and exists to promote agrarian practices through promotion of research, provision of lectures and publishing related information. The company took over, on 1 December 2004, the operations that were previously carried out by the UK Trust for Advancement of Agrarian Practices.

We carry out trials to test efficiency of agronomic practices and report these to our funders. The outcomes of publicly funded projects are reported to them and together we communicate the results to growers for them to use in their business. Similarly, with privately funded trials but these are more regularly demonstrated to farmers and growers invited to the site to discuss the technology in situ.

Another objective of our work is to transfer technical / scientific knowledge, often arising in Universities using Research Council funds, to farmers and growers to improve the efficiency and environmental performance of their business. The satisfaction of these farmers and growers determine the continuation and funding of future projects and sustainability of our Charitable aims.

Our work is assessed by our funders on an ongoing basis. With public funds, this is via an ongoing and final written report delivery against the criterion set. Our private funders measure success by the quality of presentations we make at demonstrations directly to their customers (farmers and growers).

Our field trial demonstration plots cover many arable crops. We carry out specific agrion on smaller but more detailed trials on field vegetables, sugar beet and a range of soft fruit. Under protection (glasshouses and closed LED facility) we grow tomatoes, peppers, cucumbers and a range of herbs and flowers. This wide range of crops allows a broad educational and technology transfer audience to achieve our objectives across a multi cropping industry.

Public benefit

The Charity's aims and achievements are set out within this report. The activities set out in the Trustees' report have been undertaken to further the Charity's charitable purpose for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission and the Trustees have paid due regard to this guidance in deciding what activities the Charity should undertake.

STC Research Foundation

Trustees' Report for the year ended 31 December 2024 (continued)

Achievements and performance

This period saw continued energy and general input cost inflation. This has had a major effect on all activities at Stockbridge, but the organisation has coped and income maintained.

School visits and activities in the outdoor classroom were on hold during 2022, but we were able to successfully restart them on a limited basis in 2023.

The site continues to be busy, out on the farm broad acre trials of new varieties have continued along with investigation to test and trial tomorrow's crop protection products.

Our work together with UK Agri-Tech Centre (previously known as CHAP) continues to increase. We have a UK Agi-Tech Centre employee based at the STC site and current projects use the "Vertical Farm" and "Advanced Glasshouse" facility with other projects in STC glasshouses.

In the glass work has ranged from seed production, through to investigating pharmaceutical use as before. The range of crops and environments grown has been diverse. Trials on growing media have increased as companies strive to develop peat free growing media to meet government target of zero peat products.

The team has communicated effectively with clients negotiating cost increases in line with inflated input costs. This has enabled the continued growing of crops / trials to the site's capacity.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

The group currently has unrestricted reserves of £4,142,800 (2023 - £3,725,189). However, a substantial proportion of these reserves are tied up in fixed assets, which means that the free reserves available for unrestricted use is £871,861. This equates to approximately 156 days operating costs. The Trustees consider 100 days or £500,000 in reserve to be sufficient and excess to this was used to pay down long term loans in 2024. This policy should provide the group with the ability to undertake unfunded research projects and meet any timing delays arising through either current or future funding streams.

It is the policy of the charitable group to maintain mainly unrestricted funds at a level sufficient to promote and maintain the objectives.

Our reserve policy is based around our land ownership which we have no reason to believe will fall below £3m. Our cash reserves are basically to cover short term cash flow and possible project failures. They cover approximately 33% of our annual turnover.

Principal risks and uncertainties

Our stability is based around our land value and low borrowings. Our functional risk is whether farmers and growers still require demonstration and / or field assessment of agronomic risks. We have explained that our private funders (suppliers of goods to farmers in the main) are continually placing forward work. Our public funders are, we regret, in continual disarray both with UK policy, and by exit from the EU. We are carrying out considerable adaptions to our business model to offset this risk to less than 20% of our work from these public funded concerns.

Financial risk management objectives and policies

The Trustees have assessed the major risks to which the Charity and the Group is exposed, in particular those related to the operations and finances of the Charity and the Group, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Financial review

During the period consolidated income amounted to £2,468,006 (2023 - £2,431,691) and consolidated expenditure was £2,040,395 (2023 - £2,069,787). The group held fund balances as at 31 December 2024 of £4,142,800 (2023 - £3,725,189) compromising of £nil (2023 - £nil) of restricted funds and £4,142,800 (2023 - £3,725,189) of unrestricted funds. Unrestricted funds include an unrealised revaluation gain of £1,421,389 (2023 - £1,424,005).

Organisational structure

STC Research Foundation is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 8 September 2004 and registered as a charity on 5 November 2004.

Fundraising

Neither the Charity nor the Group actively fundraise from the public, no commercial fundraisers are engaged. Fundraising in the charity sector has been regulated by the fundraising Regulator since 2015 but the Charity is not specifically registered. The Board is not aware of any failure by the Charity to comply with this regulation and no complaints have been received in relation to any form of fundraising.

Methods of appointment or election of Trustees

The management of the Charity and the Group is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Under those articles, the minimum number of trustees is 3. At each AGM one third of the trustees must retire by rotation. They are eligible for re-appointment.

The STC Research Foundation Board of Trustees is made up of experienced persons within the agricultural/horticultural business, from academia to practical farmers/growers. They oversee that the directors of Stockbridge Technology Centre Limited (STC Ltd), our delivery facility, carry out work to satisfy the aims and objectives of the charity.

Strategic short and long-term policies are set at the AGM of STC Research Foundation. The financial and functional operations are controlled by STC Ltd Board who meet frequently (at least every two months). Day to day contact with all STC Ltd directors and the staff are maintained via the Administrative Manager.

Trustees are invited to join the Board of Trustees after assessing what expertise is required to strengthen the charity's activities and responsibilities.

Policies adopted for the induction and training of Trustees

The training and induction provided for new Trustees depends on their existing experience. Where necessary, induction and training is provided on charity, legal and financial matters. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there might only be one or two new Trustees in any year, induction tends to be done informally and is tailored specifically to the individual.

STC Research Foundation

Trustees' Report for the year ended 31 December 2024 (continued)

Pay policy for key management personnel

We have a staff salary scale based around job descriptions which in turn takes into consideration qualifications both academic and experience. This scale and staff positions within it are reviewed by the STC Ltd directors at least once per year normally in the Spring. We base our scale levels on other similar achievements, Universities and personal knowledge. We are a "living wage" employer.

Related party relationships

The trading subsidiary, Stockbridge Technology Centre Limited was incorporated in 2001. The company develops and transfers plant technology to growers and farmers to enable them to maximise their yields of quality crops.

The Charity is managed by the Trustees of STC Research who meet as appropriate in the year to set the strategy for the group. Day to day management is undertaken by the company secretary.

Financial risk management

The Trustees have assessed the major risks to which the Group and the Charity are exposed, in particular those related to the operations and finances of the Group and the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

STC are pleased to have been able to restart educational visits to the site and will strive to enable schools to participate in educational activities at the centre.

STC Research Foundation has a small tight group of Trustees who cover the key areas of engagement with the Horticultural/Agricultural industry. The Trustees focus on building and delivering a strategy suitable for the future. This plan will look at how the growing environment changes to focus on the impacts of climate change, a growing population and how crops integrate with this. This will evolve and be reported on over future years.

Auditors

In accordance with section 485 of the Companies Act 2006, a resolution proposing that Azets Audit Services Limited be re-appointed will be put at a General Meeting.

STC Research Foundation

Trustees' Report for the year ended 31 December 2024 (continued)

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial. Under company law, the Trustees 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 the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Approved by order of the members of the board of Trustees on 15/09/2025 and signed on their behalf by:

.....

Peter Branfield
Trustee

STC Research Foundation

Independent Auditor's Report to the Trustees of STC Research Foundation

Opinion

We have audited the financial statements of STC Research Foundation ('the parent charitable company') and its subsidiaries ('the group') for the year ended 31 December 2024 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant account policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2024 and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees 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.

Independent Auditor's Report to the Trustees of STC Research Foundation (continued)

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 Trustees' Report including for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees for the financial statements
As explained more fully in the Trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Group and charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or charitable company or to cease operations, or have no realistic alternative but to do so.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditor's Report to the Trustees of STC Research Foundation (continued)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the Group, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the charitable company and the group through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias; and
- Performing audit work over the timing and recognition of income and in particular whether it has been recorded in the correct accounting period.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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

Jessica Lawrence

16/09/2025

Jessica Lawrence (Senior Statutory Auditor) .....

Azets Audit Services Limited
Chartered Accountants
Statutory Auditor

12 King Street
Leeds
LS1 2HL

STC Research Foundation

Consolidated Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 December 2024

	Notes	Unrestricted Total Funds 2024 £	Unrestricted Total Funds 2023 £
Income from:			
Charitable activities	4	311,648	238,403
Trading activities	5	1,741,381	1,876,843
Investments	6	414,977	316,445
Total income		2,468,006	2,431,691
Expenditure on:			
Charitable activities	7	308,562	223,299
Trading activities		1,731,833	1,846,488
Total expenditure		2,040,395	2,069,787
Net income before taxation		427,611	361,904
Taxation	12	(10,000)	(3,983)
Net movement in funds		417,611	357,921
Total funds brought forward		3,725,189	3,367,268
Total funds carried forward	23	4,142,800	3,725,189

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The Statement of Financial Activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognised in the year.

The notes on pages 14 to 32 form part of these financial statements.

STC Research Foundation

Consolidated Balance Sheet as at 31 December 2024

	Notes	2024 £	2024 £	2023 £	2023 £
Fixed assets					
Tangible assets	**13**		3,253,833		3,120,062
Investments	**14**		17,106		15,258
			3,270,939		3,135,320
Current assets					
Stocks	**15**	49,454		61,364	
Debtors	**16**	748,013		529,708	
Cash at bank and in hand	**26**	839,998		1,089,758	
		1,637,465		1,680,830	
Creditors: Amounts falling due within one year	**17**	(481,804)		(586,064)	
Net current assets			1,155,661		1,094,766
Total assets less current liabilities			4,426,600		4,230,086
Creditors: amounts falling due after more than one year	**18**		-		(231,097)
Provisions for liabilities	**22**		(283,800)		(273,800)
Total net assets			4,142,800		3,725,189
Charity funds					
Unrestricted funds:					
General funds		2,721,411		2,297,584	
Revaluation reserve		1,421,389		1,424,005	
Total unrestricted funds	**23**		4,142,800		3,725,189
Total funds	**23**		4,142,800		3,725,189

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

The financial statements were approved by the board on 15/09/2025 and signed on its behalf by:

Peter Bromfield
Trustee

The notes on pages 14 to 32 form part of these financial statements.

Company registration number: 05225211

STC Research Foundation

Charity Balance Sheet as at 31 December 2024

	Notes	2024 £	£	2023 £	£
Fixed assets					
Investments	**14**		5		5
Current assets					
Debtors	**16**	244,051		1,706	
Cash at bank and in hand		169,334		168,303	
		413,385		170,009	
Creditors: Amounts falling due within one year	**17**	(8,070)		(8,307)	
Net current assets			405,315		161,702
Total assets less current liabilities			405,315		161,707
Charity funds:					
Unrestricted funds			405,315		161,707

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

The financial statements were approved by the board on 15/09/25 and signed on its behalf by:

Peter Branfield
Trustee

The notes on pages 14 to 32 form part of these financial statements.

Company registration number: 05225211

STC Research Foundation

Consolidated Statement of Cash Flows for the year ended 31 December 2024

	Notes	2024 £	2023 £
Cash flows from operating activities			
Cash from operations	26	(38,452)	306,934
Taxation refunded		-	58,826
Net cash provided by operating activities		**(38,452)**	**365,760**
Cash flows from investing activities			
Investment income		414,977	316,445
Increase in valuation of investments		(1,848)	(3,688)
Purchase of tangible fixed assets		(244,851)	(108,824)
Interest paid		(13,334)	(28,746)
Net cash provided by investing activities		**154,944**	**175,187**
Cash flows from financing activities			
Repayment of borrowings		(363,067)	(197,443)
Hire purchase payments in the year		(3,185)	(4,050)
Net cash used in financing activities		**(366,252)**	**(201,493)**
Change in cash and cash equivalents in the year		**(249,760)**	**339,454**
Cash and cash equivalents at the beginning of the year		1,089,758	750,304
Cash and cash equivalents at the end of the year	**27**	**839,998**	**1,089,758**

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2024

1. General Information

The Charity is a company limited by guarantee. The members of the company are the Trustees as named on page 1. In the event of the charity being wound up, the liability of the guarantee is limited to £10 per member of the Charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1.

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

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the parent charitable company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

On the grounds that the charitable company's results are consolidated into the charitable company's group accounts the charitable company has taken advantage of certain exemptions conferred by section 1.11 of FRS 102 as follows:

- Exemption from presenting a charitable company statement of cash flows as a primary statement to the financial statements.

As permitted by s408 Companies Act 2006. The charitable company has not presented its own profit and loss account and related notes. The charitable company's profit for the year was £243,613 (2023 - £11,121).

2.2 Going concern

The trustees are constantly monitoring the financial position of the charitable group and recognise the reliance the charity has on the profitability of the trading activities of its subsidiary, especially in the post pandemic environment and the uncertainties that continues to bring.

As disclosed in note 18 to these financial statements, the group, via its subsidiary, does benefit from the support of its bank in the form of two secured loan facilities. Both of these loans were renewed during 2022 for a period of five years.

At the time of approving the financial statements, the trustees believe that it is appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements .

2.3 Income

All income is recognised once the charity has entitlement to the funds, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Rents receivable are accounted for on an accruals basis.

Investment income, gains and losses are allocated to the appropriate fund.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefits to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Trading costs represent costs incurred by the trading subsidiary, recognised on transfer of economic risk and reward.

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing more than £2,000 are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition are included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	2% straight line
Plant and machinery	25% reducing balance
Motor vehicles	25% reducing balance
Fixtures and fittings	25% reducing balance
Computer equipment	25% reducing balance

Depreciation is not provided on freehold land.

The Charity has adopted the revaluation model to revalue freehold land and property whose fair value can be reliably measured. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market-based evidence by appraisal that is normally undertaken by professional qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in funds.

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investment in subsidiaries are valued at cost less provision for impairment.

2.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid.

2.9 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities

Liabilities and provisions are recognised where there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments of the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risk specific to the liability. The unwinding of the discount is recognised in the consolidated statement of financial activities as a finance cost.

2.11 Taxation

STC Research Foundation is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, it is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

The tax expense represents the sum of tax currently payable and deferred tax in the subsidiary undertaking, which, as a trading entity, is not afforded such tax exemptions.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of financial activities because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Where the calculation of current tax includes significant uncertainties, the trustees apply a point estimate in the calculation of the tax charge and associated asset or liability. This is calculated based on agreement with tax authorities over accepted estimates and adjustments to the Company's taxable profits, with the trustees considering it probable that a similar outcome will be obtained in the current year by adopting the same estimation methodology, and accordingly have provided for the associated tax relief on the grounds that it is probable this will be received.

2.11 Taxation (continued)

Deferred tax
Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the statement of financial activities, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2.12 Financial instruments
The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlements value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Operating Leases
Rentals payable under operating leases, including any lease incentives received, are charged to the SoFA on a straight-line basis over the lease term.

2.14 Finance leases and hire purchase
Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.15 Pensions
The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.16 Fund accounting
General and revaluation funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restriction imposed by donors or which have been raised by the Group for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set up in the notes to the financial statements.

2.17 Grants
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.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability and held within deferred income.

2.18 Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

3. Critical accounting estimates and judgements
Estimate and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty
The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Valuation of Land and Buildings
Management take into account advice from third parties, including valuations performed externally and by using all knowledge and information available.

Support cost allocation
Management are required to apply judgement in the allocation of support costs across charitable activities. Such allocation of support costs is disclosed in note 7.

4. Income from charitable activities

	Total Funds 2024 £	Total Funds 2023 £
Subsidiary charitable activities	282,275	185,965
Contract sales	28,895	51,800
Government grants	478	638
	311,648	238,403

All income in the current and prior year is unrestricted.

5. Income from trading activities

	Total Funds 2024 £	Total Funds 2023 £
Trading income	1,741,381	1,876,843
	1,741,381	1,876,843

All income in the current and prior year is unrestricted.

6. Investment income

	Total Funds 2024 £	Total Funds 2023 £
Rents receivable	385,813	303,570
Sundry income	14,189	9,187
Investment income	14,975	3,688
	414,977	316,445

All income in the current and prior year is unrestricted.

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 (continued)

7. Analysis of expenditure on activities

	Activities undertaken directly 2024 £	Support costs 2024 £	Total Funds 2024 £
Farm	28,956	-	28,956
Subsidiary trading costs	176,900	-	176,900
General running costs	-	102,706	102,706
	205,856	102,706	308,562

Analysis of direct costs

	Farm 2024 £	Education/ agronomy 2024 £	Science 2024 £	Trading 2024 £	Total Funds 2024 £
Staff costs (note 10)	28,956	-	-	35,170	64,126
Direct costs	-	-	-	141,730	141,730
Total	28,956	-	-	176,900	205,856

Analysis of support costs

	Subsidiary trading costs 2024 £	General running costs 2024 £	Total Funds 2024 £
Staff costs (note 10)	35,170	-	35,170
Depreciation	13,919	-	13,919
Office costs	2,354	360	2,714
Sundries	15,810	3,016	18,826
Repairs and renewals	19,878	-	19,878
Subscriptions	323	-	323
Training	926	-	926
Bank charges	(36)	84	48
Interest	1,723	-	1,723
Auditor's fees	1,648	-	1,648
Accountancy	1,334	8,166	9,500
Legal and professional fees	935	34	969
Loss/(profit) on disposal of fixed assets	521	-	521
Loss/(profit) on foreign exchange	(298)	(3,161)	(3,459)
Total	94,207	8,499	102,706

7. Analysis of expenditure on activities (continued)

	Activities undertaken directly 2023 £	Support costs 2023 £	Total Funds 2023 £
Farm	28,424	-	28,424
Science	700	-	700
Subsidiary trading costs	114,928	-	114,928
General running costs	-	79,247	79,247
Total	144,052	79,247	223,299

Analysis of direct costs

	Farm 2023 £	Education/ agronomy 2023 £	Science 2023 £	Trading 2023 £	Total Funds 2023 £
Staff costs (note 10)	28,424	-	700	50,512	79,636
Direct costs	-	-	-	64,416	64,416
Total	28,424	-	700	114,928	144,052

7. Analysis of expenditure on activities (continued)

Analysis of support costs

	Subsidiary charitable activities 2023 £	General running costs 2023 £	Total Funds 2023 £
Staff costs (note 10)	20,412	-	20,412
Depreciation	8,044	-	8,044
Office costs	1,747	388	2,135
Sundries	10,023	2,312	12,335
Insurance	3,093	-	3,093
Repairs and renewals	21,227	44	21,271
Subscriptions	196	-	196
Training	970	-	970
Bank charges	57	84	141
Interest	2,587	-	2,587
Auditor's fees	657	2,770	3,427
Accountancy	171	3,440	3,611
Legal and professional fees	747	-	747
Loss/(profit) on foreign exchange	(160)	-	(160)
Loss/(profit) on disposal of fixed assets	438	-	438
Total	70,209	9,038	79,247

8. Operations of the charity

	2024 £	2023 £
Turnover	282,460	51,800
Cost of sales	(410)	(1,846)
Gross profit	278,485	49,954
Administrative expenses	(38,437)	(38,833)
Profit for the financial year after taxation	243,613	11,121

9. Auditor's remuneration

	2024 £	2023 £
Fees payable to the Charity's auditor:		
- for the audit of the Charity's annual accounts	3,000	2,770
- for the audit of the Charity's subsidiary annual accounts	9,675	7,300
- in respect of all non-audit services not included above	7,075	5,890

10. Staff costs

	Group 2024 £	Group 2023 £	Company 2024 £	Company 2023 £
Wages and salaries	760,241	747,708	24,791	24,935
Social security costs	48,808	56,799	3,421	3,441
Pension costs	63,039	12,667	744	748
	872,088	817,174	28,956	29,124

The average number of persons employed by the Group during the year was as follows:

	Group 2024 No.	Group 2023 No.
Research activities	22	23
Management and administration	6	6
Science	4	5
	32	34

The number of employees whose emoluments (excluding pension contributions, employer's social security costs but including benefits in kind) fell within the following bands:

	2024 Number	2023 Number
£60,001 to £70,000	1	1
£70,001 to £80,000	1	1

Key management are considered to be the Director of Agronomy, Operations Director, Senior Project Manager, Project Manager and Office Manager. Remuneration paid to key management personnel during the year was £312,462 (2023 - £244,258).

11. Trustees' remuneration and expenses

During the year no trustee received any remuneration or other benefits (2023 - £nil).

During the year no Trustee expenses have been incurred (2023 - £nil).

12. Taxation

	2024 £	2023 £
Corporation tax		
Current tax on net income	-	-
Adjustment in respect of prior years	-	(3,717)
Total current tax credit	-	(3,717)
Deferred tax		
Origination and reversal of timing differences	10,000	7,700
Total deferred tax	10,000	7,700
Taxation (credit)/expense on net income	10,000	3,983

The actual charge/(credit) for the year can be reconciled to the expected charge/(credit) for the year base on the profit or loss and the standard rate of tax as follows:

	2024 £	2023 £
Subsidiary profit before tax **(1)**	417,611	350,783
Expected tax charge based on the standard rate of corporation tax in the UK of 25% (2023 - 23.52%)	104,403	82,506
Effects of:		
Adjustments in respect of prior years	-	(3,717)
Research and development tax credit	(94,403)	(116,000)
Other tax adjustments	-	41,194
Total tax (credit)/charge for the period	10,000	3,983

(1) The activities of the charity remain within the charitable tax exemptions, as such the income subject to taxation relates to the profit before tax within the trading subsidiary only.

Deferred tax balances at the reporting date are measured at 25% (2023: 25%).

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 (continued)

13. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
Cost or valuation						
As at 1 January 2024	3,061,479	700,544	16,139	31,845	21,868	3,831,875
Additions	137,437	88,720	-	17,795	900	244,852
Disposals	-	(20,880)	-	-	(14,540)	(35,420)
As at 31 December 2024	3,198,916	768,384	16,139	49,640	8,228	4,041,307
Depreciation						
At 1 January 2024	167,545	507,549	14,574	6,719	15,426	711,813
Charge for the year	23,682	70,429	391	10,731	1,836	107,069
On disposals	-	(19,400)	-	-	(12,008)	(31,408)
As at 31 December 2024	191,227	558,578	14,965	17,450	5,254	787,474
Net book values						
As at 31 December 2024	3,007,689	209,806	1,174	32,190	2,974	3,253,833
As at 31 December 2023	2,893,934	192,995	1,565	25,126	6,442	3,120,062

The charitable company had no tangible fixed assets in either this or the prior year.

Land and buildings include property leased to third parties, the fair value of the investment property component cannot be measured reliably, and as such the entire property has been accounted for as property, plant and equipment.

Included in cost or valuation of freehold land property is freehold land with a carrying value of £2,014,837 (2023 - £2,014,837) which is not depreciated.

Freehold land and buildings were valued by the directors of the subsidiary, supported by an independent valuation in September 2015. Both the directors of the subsidiary and the trustees of the charity do not consider the value to differ materially at the balance sheet date.

If freehold land and buildings had not been revalued they would have been included at the following historical cost:

	2024 £	2023 £
Cost	1,633,878	1,633,878
Accumulated depreciation	(166,565)	(163,949)
Carrying value	1,467,313	1,469,929

A non-distributable revaluation reserve of £1,421,389 (2023 - £1,424,005) exists in respect of the revalued land and buildings.

13. Tangible fixed assets (continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under hire purchase contracts are as follows:

	2024 £	2023 £
Plant and machinery	-	12,375
Fixtures and fittings	-	1,162
Computer equipment	-	2,467
Carrying value	-	16,004

14. Fixed asset investments

Group	Unlisted investments 2024 £	Unlisted investments 2023 £
Cost or valuation		
As at 1 January 2024	15,258	11,570
Additions	1,848	3,688
At 31 December 2024	17,106	15,258
Net book value		
As at 31 December 2024	17,106	15,258

Charity	Investment in subsidiary company £
Cost at 1 January 2024 and 31 December 2024	5

14. Fixed asset investments (continued)

Principal subsidiaries

The following is a subsidiary undertaking of the Charity:

Name	Company number	Holding
Stockbridge Technology Centre Limited	04175440	100%

The financial results of the subsidiary for the year, which have been included in the consolidated results of the charity, were:

Name	Income £	Expenditure £	Tax charge £	Profit after tax for the year £	Net assets £
Stockbridge Technology Centre Limited	2,464,502	2,030,504	(10,000)	423,998	3,737,485

15. Stocks

	Group 2024 £	Group 2023 £
Raw materials and consumables	49,454	61,364

The charity had no stock in either the current or the prior year.

16. Debtors

	Group		Charity	
Due within one year	2024 £	2023 £	2024 £	2023 £
Trade debtors	696,895	393,639	4,125	1,706
Amounts owed by group undertakings	-	-	239,926	-
Corporation tax recoverable	49,066	49,066	-	-
Prepayments and accrued income	2,052	87,003	-	-
	748,013	529,708	244,051	1,706

17. Creditors: Amounts falling due within one year

	Group		Charity	
	2024	2023	2024	2023
	£	£	£	£
Bank loans (note 19)	-	131,970	-	-
Trade creditors	121,821	205,719	660	2,175
Other taxation and social security	161,572	90,008	-	-
Finance leases and hire purchase (note 21)	-	3,185	-	-
Other creditors	4,686	3,440	-	-
Accruals	87,655	144,253	10,571	6,132
Deferred income (note 20)	106,070	7,489	-	-
	481,804	586,064	11,231	8,307

18. Creditors: Amounts falling due after more than one year

	Group 2024 £	Group 2023 £
Bank loans - 1-2 years (note 19)	-	88,265
Bank loans - 2-5 years (note 19)	-	142,832
	-	231,097

The charity had no creditors due over one year in either this or the prior year.

Hire purchases were secured against the assets to which they relate.

19. Loans and overdrafts

The following secured debts are included within creditors:

	Group 2024 £	Group 2023 £
Bank loans due within 1 year	-	131,970
Bank loans due after 1 year	-	231,097
	-	**363,067**

The group had two loans with Virgin Money, and both were settled in the year. Interest on both loans was charged at 4.25% over base. Monthly capital and interest payments were made with the final balance settled or refinanced at the maturity date. These loans are secured by a debenture creating a fixed and floating charge over the assets of the company, a legal first charge over 12.5 acres at Cawood and a legal first charge over Stockbridge House, Cawood.

20. Deferred Income

	Group 2024 £	Group 2023 £
As at 1 January 2024	7,489	99,517
Amount released to income	(7,489)	(99,517)
Amount deferred in the year	106,070	7,489
As at 31 December 2024	106,070	7,489

21. Hire purchase obligations

	Group 2024 £	Group 2023 £
Future minimum payments due under hire purchase:		
Within one year	-	3,185
In two to five years	-	-
	-	3,185

Hire purchases were secured against the assets to which they relate.

22. Deferred taxation

Group	2024 £	2023 £
At the beginning of the year	273,800	266,100
Charge for the year	10,000	7,700
Closing deferred taxation liability	283,800	273,800

The deferred tax balance is made up as follows:

	Group 2024 £	Group 2023 £
Accelerated capital allowances	283,800	273,800
	283,800	273,800

The charity had no deferred tax asset or liability in 2024 (2023 - £nil).

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2024 (continued)

23. Statement of funds - Group

Statement of funds - current year

Unrestricted funds	Balance at 1 January 2024 £	Income £	Expenditure (including taxation) £	Transfers between funds £	Balance at 31 December 2024 £
General funds - all funds	2,301,184	2,468,006	(2,050,395)	2,616	2,718,250
Revaluation reserve	1,424,005	-	-	(2,616)	1,421,389
Total funds	3,725,189	2,498,006	(2,050,395)	-	4,139,639

All income and expenditure during the year are unrestricted.

Statement of funds - prior year

Unrestricted funds	Balance at 1 January 2023 £	Income £	Expenditure (including taxation) £	Transfers between funds £	Balance at 31 December 2023 £
General funds - all funds	1,942,919	2,431,691	(2,073,770)	344	2,301,184
Revaluation reserve	1,424,349	-	-	(344)	1,424,005
Total funds	3,367,268	2,431,691	(2,073,770)	-	3,725,189

All income and expenditure during the prior year are unrestricted.

24. Summary of funds - Charity

Summary of funds - current year

	Balance at 1 January 2024 £	Income £	Expenditure £	Transfers between funds £	Balance at 31 December 2024 £
General funds	161,707	282,460	(38,847)	-	405,320
Total funds	161,707	282,460	(38,847)	-	405,320

All income and expenditure during the year are unrestricted.

24. Summary of funds – Charity (continued)

Summary of funds - prior year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers between funds £	Balance at 31 December 2023 £
General funds	150,586	51,800	(40,679)	-	161,707
Total funds	150,586	51,800	(40,679)	-	161,707

All income and expenditure during the prior year are unrestricted.

25. Net assets between funds

	Unrestricted
Tangible assets	3,253,833
Investments	17,106
Current assets	1,637,465
Creditors within one year	(481,804)
Provisions	(283,800)
Total	4,142,800

26. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2024 £	Group 2023 £
Net income after tax	417,611	357,919
Adjustments for:		
Taxation charged/(credited)	10,000	3,983
Depreciation	107,069	89,374
Investment income	(414,977)	(316,445)
Interest expense	13,334	28,746
Loss on the sale of fixed assets	4,011	4,871
Decrease in stocks	11,910	24,486
(Increase)/Decrease in debtors	(218,305)	100,610
Increase in creditors	30,895	13,390
Net cash provided by operating activities	(38,452)	306,934

27. Analysis of cash and cash equivalents

	Group 2024 £	Group 2023 £
Cash in hand	-	-
Cash at bank	839,998	1,089,758
Total cash and cash equivalents	839,998	1,089,758

28. Analysis of changes in net debt

	At 1 January 2024 £	Cash flows £	Loan advances £	At 31 December 2024 £
Cash at bank and in hand	1,089,758	(249,760)	-	839,998
Bank loans due within 1 year	(131,970)	131,970	-	-
Bank loans due after 1 year	(231,097)	231,097	-	-
Finance leases and Hire Purchase Contracts	(3,185)	3,185	-	-
	723,506	116,492	-	839,998

29. Operating lease commitments

At 31 December 2024 the Group had no operating lease commitments (2023 - £nil).

30. Related party transactions

Group
Included within remuneration of key management personnel is paid £34,311 (2023 - £34,082) paid to the Project Manager, the daughter of P R Branfield, a trustee, this is paid by the subsidiary entity in which she is employed.

Charity
During the year the charity was recharged various expenses from its trading subsidiary, Stockbridge Technology Centre Limited. During the year recharges of £24,791 (2023 - £2,175) were made to the charity, at the balance sheet date this balance remains in creditors: amounts due to subsidiary.

STC RESEARCH FOUNDATION

England & Wales - Charity number 1106618

Accounts

Registered number: 05225211 (England and Wales)
Charity Number: 1106618

STC Research Foundation
(Company Limited by Guarantee)

Trustees' Report and Financial Statements

for the year ended 31 December 2023

STC Research Foundation

Contents

	Page
Charity Information	1
Trustees' Report	2
Independent Auditor's Report	7
Consolidated Statement of Financial Activities	10
Consolidated Balance Sheet	11
Charity Balance Sheet	12
Consolidated Statement of Cash Flows	13
Notes to the Financial Statements	14

STC Research Foundation

Charity Information

Trustees
N D Bartle
P R Branfield
A S Burgess (resigned 4 September 2023)
M M Evans
Dr D George
J Thompson

Company registered number
05225211 (England and Wales)

Charity registered number
1106618

Registered office
Stockbridge House
Cawood
Selby
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Company Secretary
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STC Research Foundation

Trustees' Report for the year ended 31 December 2023

The Trustees present their annual report together with the audited financial statements of STC Research Foundation for the year ended 31 December 2023. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable group comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommendation Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to UK and the Republic of Ireland (FRS 102) (effective 1 January 2019).

Reference and administrative details

The charity information on page 1 forms part of this Trustees' report.

Objectives and Activities

The company is a Charity and exists to promote agrarian practices through promotion of research, provision of lectures and publishing related information. The company took over, on 1 December 2004, the operations that were previously carried out by the UK Trust for Advancement of Agrarian Practices.

We carry out trials to test efficiency of agronomic practices and report these to our funders. The outcomes of publicly funded projects are reported to them and together we communicate the results to growers for them to use in their business. Similarly, with privately funded trials but these are more regularly demonstrated to farmers and growers invited to the site to discuss the technology in situ.

Another objective of our work is to transfer technical / scientific knowledge, often arising in Universities using Research Council funds, to farmers and growers to improve the efficiency and environmental performance of their business. The satisfaction of these farmers and growers determine the continuation and funding of future projects and sustainability of our Charitable aims.

Our work is assessed by our funders on an ongoing basis. With public funds, this is via an ongoing and final written report delivery against the criterion set. Our private funders measure success by the quality of presentations we make at demonstrations directly to their customers (farmers and growers).

Our field trial demonstration plots cover many arable crops. We carry out specific agrion on smaller but more detailed trials on field vegetables, sugar beet and a range of soft fruit. Under protection (glasshouses and closed LED facility) we grow tomatoes, peppers, cucumbers and a range of herbs and flowers. This wide range of crops allows a broad educational and technology transfer audience to achieve our objectives across a multi cropping industry.

Public benefit

The Charity's aims and achievements are set out within this report. The activities set out in the Trustees' report have been undertaken to further the Charity's charitable purpose for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2011 to have due regard to public benefit guidance published by the Charity Commission and the Trustees have paid due regard to this guidance in deciding what activities the Charity should undertake.

Achievements and performance

This period saw continued energy and general input cost inflation. This has had a major effect on all activities at Stockbridge, but the organisation has coped and income maintained.

School visits and activities in the outdoor classroom were on hold during 2022, but we were able to successfully restart them on a limited basis in 2023.

The site continues to be busy, out on the farm broad acre trials of new varieties have continued along with investigation to test and trial tomorrow's crop protection products.

Our work together with CHAP continues to increase. We have a CHAP employee based at the STC site and current projects use the "Vertical Farm" and "Advanced Glasshouse" facility with other projects in STC glasshouses.

In the glass work has ranged from seed production, through to investigating pharmaceutical use as before. The range of crops and environments grown has been diverse. Trials on growing media have increased as companies strive to develop peat free growing media to meet government target of zero peat products.

The team has communicated effectively with clients negotiating cost increases in line with inflated input costs. This has enabled the continued growing of crops / trials to the site's capacity.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

The group currently has unrestricted reserves of £3,725,189 (2022 - £3,367,268). However, a substantial proportion of these reserves are tied up in fixed assets, which means that the free reserves available for unrestricted use is £589,869. This equates to approximately 182 days operating costs. The Trustees consider 100 days or £500,000 in reserve to be sufficient and excess to this will be used to pay down long term loans. This policy should provide the group with the ability to undertake unfunded research projects and meet any timing delays arising through either current or future funding streams.

It is the policy of the charitable group to maintain mainly unrestricted funds at a level sufficient to promote and maintain the objectives.

Our reserve policy (and borrowing) is based around our land ownership which we have no reason to believe will fall below £3m. Our cash reserves are basically to cover short term cash flow and possible project failures. They cover approximately 41% of our annual turnover.

Principal risks and uncertainties

Our stability is based around our land value where our borrowings are limited to 40% exposure. Our functional risk is whether farmers and growers still require demonstration and / or field assessment of agronomic risks. We have explained that our private funders (suppliers of goods to farmers in the main) are continually placing forward work. Our public funders are, we regret, in continual disarray both with UK policy, and by exit from the EU. We are carrying out considerable adaptions to our business model to offset this risk to less than 20% of our work from these public funded concerns.

Trustees' Report for the year ended 31 December 2023 (continued)

Financial risk management objectives and policies

The Trustees have assessed the major risks to which the Charity and the Group is exposed, in particular those related to the operations and finances of the Charity and the Group, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Financial review

During the period consolidated income amounted to £2,431,691 (2022 - £2,223,008) and consolidated expenditure was £2,069,787 (2022 - £1,950,386). The group held fund balances as at 31 December 2023 of £3,725,189 (2022 - £3,367,268) compromising of £nil (2022 - £nil) of restricted funds and £3,725,189 (£2022 - £3,367,268) of unrestricted funds. Unrestricted funds includes an unrealised revaluation gain of £1,424,005 (2022 - £1,424,349).

Organisational structure

STC Research Foundation is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 8 September 2004 and registered as a charity on 5 November 2004.

Fundraising

Neither the Charity nor the Group actively fundraise from the public, no commercial fundraisers are engaged. Fundraising in the charity sector has been regulated by the fundraising Regulator since 2015 but the Charity is not specifically registered. The Board is not aware of any failure by the Charity to comply with this regulation and no complaints have been received in relation to any form of fundraising.

Methods of appointment or election of Trustees

The management of the Charity and the Group is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Under those articles, the minimum number of trustees is 3. At each AGM one third of the trustees must retire by rotation. They are eligible for re-appointment.

The STC Research Foundation Board of Trustees is made up of experienced persons within the agricultural/horticultural business, from academia to practical farmers/growers. They oversee that the directors of Stockbridge Technology Centre Limited (STC Ltd), our delivery facility, carry out work to satisfy the aims and objectives of the charity.

Strategic short and long-term policies are set at the AGM of STC Research Foundation. The financial and functional operations are controlled by STC Ltd board who meet frequently (at least every two months). Day to day contact with all STC Ltd directors and the staff are maintained via the Administrative Manager.

Trustees are invited to join the Board of Trustees after assessing what expertise is required to strengthen the charity's activities and responsibilities.

Policies adopted for the induction and training of Trustees

The training and induction provided for new Trustees depends on their existing experience. Where necessary, induction and training is provided on charity, legal and financial matters. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there might only be one or two new Trustees in any year, induction tends to be done informally and is tailored specifically to the individual.

Pay policy for key management personnel

We have a staff salary scale based around job descriptions which in turn takes into consideration qualifications both academic and experience. This scale and staff positions within it are reviewed by the STC Ltd directors at least once per year normally in the Spring. We base our scale levels on other similar achievements, Universities and personal knowledge. We are a "living wage" employer.

Related party relationships

The trading subsidiary, Stockbridge Technology Centre Limited was incorporated in 2001. The company develops and transfers plant technology to growers and farmers to enable them to maximise their yields of quality crops.

The Charity is managed by the Trustees of STC Research who meet as appropriate in the year to set the strategy for the group. Day to day management is undertaken by the company secretary.

Financial risk management

The Trustees have assessed the major risks to which the Group and the Charity are exposed, in particular those related to the operations and finances of the Group and the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

STC are pleased to have been able to restart educational visits to the site and will strive to enable schools to continue to do so.

STC Research Foundation has a small tight group of Trustees who cover the key areas of engagement with the Horticultural/Agricultural industry. The Trustees focus on building and delivering a strategy suitable for the future. This plan will look at how the growing environment changes to focus on the impacts of climate change, a growing population and how crops integrate with this. This will evolve and be reported on over future years.

Auditors

The auditor, Azets Audit Services Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Small companies exemption

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

STC Research Foundation

Trustees' Report for the year ended 31 December 2023 (continued)

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity for that period. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

Disclosure of information to auditors

The Trustees of the charitable company who held office at the date of approval of this annual report confirm that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Approved by order of the members of the board of Trustees on 16/9/2024 and signed on their behalf by:

.....
Peter Branfield
Trustee

STC Research Foundation

Consolidated Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 December 2023

	Notes	Unrestricted Total Funds 2023 £	Unrestricted Total Funds 2022 £
Income from:			
Charitable activities	**4**	238,403	2,023,991
Trading activities	**5**	1,876,843	58,230
Investments	**6**	316,445	140,787
Total income		2,431,691	2,223,008
Expenditure on:			
Charitable activities	**7**	223,299	1,950,386
Trading activities		1,846,488	-
Total expenditure		2,069,787	1,950,386
Net income before taxation		361,904	272,622
Taxation	**12**	(3,983)	55,016
Net movement in funds		357,921	327,638
Total funds brought forward		3,367,268	3,039,630
Total funds carried forward	**23**	3,725,189	3,367,268

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The Statement of Financial Activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognised in the year.

The notes on pages 14 to 32 form part of these financial statements.

STC Research Foundation

Consolidated Balance Sheet as at 31 December 2023

	Notes	2023 £	2023 £	2022 £	2022 £
Fixed assets					
Tangible assets	**13**		3,120,062		3,105,483
Investments	**14**		15,258		11,570
			3,135,320		3,117,053
Current assets					
Stocks	**15**	61,364		85,850	
Debtors	**16**	529,708		687,550	
Cash at bank and in hand	**26**	1,089,758		750,304	
		1,680,830		1,523,704	
Creditors: Amounts falling due within one year	**17**	(586,064)		(552,816)	
Net current assets			1,094,766		970,888
Total assets less current liabilities			4,230,086		4,087,941
Creditors: amounts falling due after more than one year	**18**		(231,097)		(454,573)
Provisions for liabilities	**22**		(273,800)		(266,100)
Total net assets			3,725,189		3,367,268
Charity funds					
Unrestricted funds:					
General funds		2,297,584		1,942,919	
Revaluation reserve		1,424,005		1,424,349	
Total unrestricted funds	**23**		3,725,189		3,367,268
Total funds	**23**		3,725,189		3,367,268

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

The financial statements were approved by the board on 16/9/2024 and signed on its behalf by:

Peter Brantfield
Trustee

The notes on pages 14 to 32 form part of these financial statements.

Company registration number: 05225211

STC Research Foundation

Charity Balance Sheet as at 31 December 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Investments	**14**		5		5
Current assets					
Debtors	**16**	1,706		23,296	
Cash at bank and in hand		168,303		133,097	
		170,009		156,393	
Creditors: Amounts falling due within one year	**17**	(8,307)		(5,812)	
Net current assets			161,702		150,581
Total assets less current liabilities			161,707		150,586
Charity funds:					
Unrestricted funds			161,707		150,586

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

The financial statements were approved by the board on 16/9/2024 and signed on its behalf by:

P M Branfield

Peter Branfield
Trustee

The notes on pages 14 to 32 form part of these financial statements.

Company registration number: 05225211

STC Research Foundation

Consolidated Statement of Cash Flows for the year ended 31 December 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash from operations	25	306,934	578,663
Taxation refunded		58,826	-
Net cash provided by operating activities		**365,760**	**578,663**
Cash flows from investing activities			
Investment income		316,445	140,787
Proceeds from the sale of tangible fixed assets		-	16,350
Increase in valuation of investments		(3,688)	(3,461)
Purchase of tangible fixed assets		(108,824)	(73,225)
Interest paid		(28,746)	(36,997)
Net cash provided by investing activities		**175,187**	**43,454**
Cash flows from financing activities			
Repayment of borrowings		(197,443)	(693,889)
Drawdown of loans		-	605,303
Hire purchase payments in the year		(4,050)	(6,391)
Net cash used in financing activities		**(201,493)**	**(94,977)**
Change in cash and cash equivalents in the year		**339,454**	**527,140**
Cash and cash equivalents at the beginning of the year		750,304	223,164
Cash and cash equivalents at the end of the year	**26**	**1,089,758**	**750,304**

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2023

1. General Information

The Charity is a company limited by guarantee. The members of the company are the Trustees as named on page 1. In the event of the charity being wound up, the liability of the guarantee is limited to £10 per member of the Charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1.

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

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the parent charitable company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

On the grounds that the charitable company's results are consolidated into the charitable company's group accounts the charitable company has taken advantage of certain exemptions conferred by section 1.11 of FRS 102 as follows:

- Exemption from presenting a charitable company statement of cash flows as a primary statement to the financial statements.

As permitted by s408 Companies Act 2006. The charitable company has not presented its own profit and loss account and related notes. The charitable company's profit for the year was £11,121 (2022 - £44,696).

2.2 Going concern

The trustees are constantly monitoring the financial position of the charitable group and recognise the reliance the charity has on the profitability of the trading activities of its subsidiary, especially in the post pandemic environment and the uncertainties that continues to bring.

As disclosed in note 18 to these financial statements, the group, via its subsidiary, does benefit from the support of its bank in the form of two secured loan facilities. Both of these loans were renewed during 2022 for a period of five years.

At the time of approving the financial statements, the trustees believe that it is appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements .

2.3 Income

All income is recognised once the charity has entitlement to the funds, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Rents receivable are accounted for on an accruals basis.

Investment income, gains and losses are allocated to the appropriate fund.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefits to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Trading costs represent costs incurred by the trading subsidiary, recognised on transfer of economic risk and reward.

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing more than £2,000 are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition are included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	2% straight line
Plant and machinery	25% reducing balance
Motor vehicles	25% reducing balance
Fixtures and fittings	25% reducing balance
Computer equipment	25% reducing balance

Depreciation is not provided on freehold land.

The Charity has adopted the revaluation model to revalue freehold land and property whose fair value can be reliably measured. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market based evidence by appraisal that is normally undertaken by professional qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in funds.

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investment in subsidiaries are valued at cost less provision for impairment.

2.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid.

2.9 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities

Liabilities and provisions are recognised where there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments of the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risk specific to the liability. The unwinding of the discount is recognised in the consolidated statement of financial activities as a finance cost.

2.11 Taxation

STC Research Foundation is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, it is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

The tax expense represents the sum of tax currently payable and deferred tax in the subsidiary undertaking, which, as a trading entity, is not afforded such tax exemptions.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of financial activities because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Where the calculation of current tax includes significant uncertainties, the trustees apply a point estimate in the calculation of the tax charge and associated asset or liability. This is calculated based on agreement with tax authorities over accepted estimates and adjustments to the Company's taxable profits, with the trustees considering it probable that a similar outcome will be obtained in the current year by adopting the same estimation methodology, and accordingly have provided for the associated tax relief on the grounds that it is probable this will be received.

2.11 Taxation (continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the statement of financial activities, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2.12 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlements value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Operating Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the SoFA on a straight line basis over the lease term.

2.14 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.15 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.16 Fund accounting

General and revaluation funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restriction imposed by donors or which have been raised by the Group for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set up in the notes to the financial statements.

2.17 Grants

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.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability and held within deferred income.

2.18 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

3. Critical accounting estimates and judgements

Estimate and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key sources of estimation uncertainty

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Valuation of Land and Buildings

Management take into account advice from third parties, including valuations performed externally and by using all knowledge and information available.

Support cost allocation

Management are required to apply judgement in the allocation of support costs across charitable activities. Such allocation of support costs is disclosed in note 7.

4. Income from charitable activities

	Total Funds 2023 £	Total Funds 2022 £
Subsidiary charitable activities	185,965	2,023,141
Contract sales	51,800	-
Government grants	638	850
	238,403	2,023,991

All income in the current and prior year is unrestricted.

5. Income from trading activities

	Total Funds 2023 £	Total Funds 2022 £
Contract sales	-	58,230
Trading income	1,876,843	-
	1,876,843	58,230

All income in the current and prior year is unrestricted.

6. Investment income

	Total Funds 2023 £	Total Funds 2022 £
Rents receivable	303,570	60,452
Sundry income	9,187	76,874
Investment income	3,688	3,461
	316,445	140,787

All income in the current and prior year is unrestricted.

7. Analysis of expenditure on activities

	Activities undertaken directly 2023 £	Support costs 2023 £	Total Funds 2023 £
Farm	28,424	-	28,424
Science	700	-	700
Subsidiary trading costs	114,928	-	114,928
General running costs	-	79,247	79,247
	144,052	79,247	223,299

7. Analysis of expenditure on activities (Continued)

Analysis of direct costs

	Farm 2023 £	Education/ agronomy 2023 £	Science 2023 £	Trading 2023 £	Total Funds 2023 £
Staff costs (note 10)	28,424	-	700	50,512	79,636
Direct costs	-	-	-	64,416	64,416
Total	28,424	-	700	114,928	144,052

Analysis of support costs

	Subsidiary trading costs 2023 £	General running costs 2023 £	Total Funds 2023 £
Staff costs (note 10)	20,412	-	20,412
Depreciation	8,044	-	8,044
Office costs	1,747	388	2,135
Sundries	10,023	2,312	12,335
Insurance	3,093	-	3,093
Repairs and renewals	21,227	44	21,271
Subscriptions	196	-	196
Training	970	-	970
Bank charges	57	84	141
Interest	2,587	-	2,587
Auditor's fees	657	2,770	3,427
Accountancy	171	3,440	3,611
Legal and professional fees	747	-	747
Loss/(profit) on foreign exchange	(160)	-	(160)
Loss/(profit) on disposal of fixed assets	438	-	438
Total	70,209	9,038	79,247

7. Analysis of expenditure on activities (continued)

	Activities undertaken directly 2022 £	Support costs 2022 £	Total Funds 2022 £
Farm	4,502	-	4,502
Education/agronomy	(120)	-	(120)
Science	1,368	-	1,368
Subsidiary charitable activities	-	1,515,705	1,515,705
General running costs	-	428,931	428,931
Total	5,750	1,944,636	1,950,386

Analysis of direct costs

	Farm 2022 £	Education/ agronomy 2022 £	Science 2022 £	Total Funds 2022 £
Staff costs	4,502	(120)	1,368	5,750
Total	4,502	(120)	1,368	5,750

7. Analysis of expenditure on activities (continued)

Analysis of support costs

	Subsidiary charitable activities 2022 £	General running costs 2022 £	Total Funds 2022 £
Staff costs	740,522	54,631	795,153
Depreciation	82,093	-	82,093
Rates and water	-	19,393	19,393
Light and heat	-	225,324	225,324
Telephone	-	11,387	11,387
Post and stationery	-	5,207	5,207
Sundries	328,043	453	328,496
Direct costs	267,087	-	267,087
Repairs and renewals	-	68,568	68,568
Travelling and motor expenses	-	7,072	7,072
Subcontractors	57,089	-	57,089
Computer running costs	-	376	376
Subscriptions	-	2,524	2,524
Training	-	5,086	5,086
Bank charges	-	3,856	3,856
Cleaning	-	1,679	1,679
Bank interest	36,997	-	36,997
Auditor's fees	-	9,450	9,450
Accountancy	-	7,330	7,330
Legal and professional fees	-	6,595	6,595
Loss on disposal of fixed assets	3,874	-	3,874
Total	1,515,705	428,931	1,944,636

8. Operations of the charity

	2023 £	2022 £
Turnover	51,800	58,230
Cost of sales	(1,846)	-
Gross profit	49,954	58,230
Administrative expenses	(38,833)	(13,434)
Profit for the financial year after taxation	11,121	44,796

9. Auditor's remuneration

	2023 £	2022 £
Fees payable to the Charity's auditor:		
- for the audit of the Charity's annual accounts	2,770	2,600
- for the audit of the Charity's subsidiary annual accounts	7,300	6,850
- in respect of all non-audit services not included above	5,890	5,530

10. Staff costs

	Group 2023 £	Group 2022 £	Company 2023 £	Company 2022 £
Wages and salaries	747,708	731,231	24,935	4,906
Social security costs	56,799	57,868	3,441	694
Pension costs	12,667	11,804	748	150
	817,174	800,903	29,124	5,750

The average number of persons employed by the Group during the year was as follows:

	Group 2023 No.	Group 2022 No.
Research activities	23	27
Management and administration	6	6
Science	5	5
	34	38

The number of employees whose emoluments (excluding pension contributions, employer's social security costs but including benefits in kind) fell within the following bands:

	2023 Number	2022 Number
£60,001 to £70,000	1	-
£70,001 to £80,000	1	1

Key management are considered to be the Director of Agronomy, Operations Director, Senior Project Manager, Project Manager and Office Manager. Remuneration paid to key management personnel during the year was £244,258 (2022 - £241,017).

11. Trustees' remuneration and expenses

During the year no trustee received any remuneration or other benefits (2022 - £nil).

During the year no Trustee expenses have been incurred (2022 - £nil).

12. Taxation

	2023 £	2022 £
Corporation tax		
Current tax on net income	-	(45,377)
Adjustment in respect of prior years	(3,717)	(3,689)
Total current tax credit	(3,717)	(49,066)
Deferred tax		
Origination and reversal of timing differences	7,700	(5,950)
Total deferred tax	7,700	(5,950)
Taxation (credit)/expense on net income	3,983	(55,016)

The actual charge/(credit) for the year can be reconciled to the expected charge/(credit) for the year base on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Subsidiary profit before tax **(1)**	350,783	227,926
Expected tax charge based on the standard rate of corporation tax in the UK of 23.52% (2022 – 19%)	82,506	43,306
Effects of:		
Adjustments in respect of prior years	(3,717)	(3,689)
Research and development tax credit	(116,000)	(95,900)
Other tax adjustments	41,194	1,267
Total tax credit/(charge) for the period	3,983	(55,016)

(1) The activities of the charity remain within the charitable tax exemptions, as such the income subject to taxation relates to the profit before tax within the trading subsidiary only.

Deferred tax balances at the reporting date are measured at 25% (2022: 25%).

Notes to the Consolidated Financial Statements for the year ended 31 December 2023 (continued)

13. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
Cost or valuation						
As at 1 January 2023	3,054,462	819,932	20,582	49,870	65,511	4,010,357
Additions	7,609	100,270	-	-	945	108,824
Disposals	(592)	(219,658)	(4,443)	(18,025)	(44,588)	(287,306)
As at 31 December 2023	3,061,479	700,544	16,139	31,845	21,868	3,831,875
Depreciation						
At 1 January 2023	146,699	659,458	18,294	23,768	56,655	904,874
Charge for the year	20,942	64,901	555	653	2,323	89,374
On disposals	(96)	(216,810)	(4,275)	(17,702)	(43,552)	(282,435)
As at 31 December 2023	167,545	507,549	14,574	6,719	15,426	711,813
Net book values						
As at 31 December 2023	2,893,934	192,995	1,565	25,126	6,442	3,120,062
As at 31 December 2022	2,907,763	160,474	2,288	26,102	8,856	3,105,483

The charitable company had no tangible fixed assets in either this or the prior year.

Land and buildings include property leased to third parties, the fair value of the investment property component cannot be measured reliably, and as such the entire property has been accounted for as property, plant and equipment.

Included in cost or valuation of freehold land property is freehold land with a carrying value of £2,014,837 (2022 - £2,014,837) which is not depreciated.

Freehold land and buildings were valued by the directors of the subsidiary, supported by an independent valuation in September 2015. Both the directors of the subsidiary and the trustees of the charity do not consider the value to differ materially at the balance sheet date.

If freehold land and buildings had not been revalued they would have been included at the following historical cost:

	2023 £	2022 £
Cost	1,633,878	1,626,861
Accumulated depreciation	(163,949)	(143,447)
Carrying value	1,469,929	1,483,414

A non-distributable revaluation reserve of £1,424,005 (2022 - £1,424,349) exists in respect of the revalued land and buildings.

13. Tangible fixed assets (continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under hire purchase contracts are as follows:

	2023 £	2022 £
Plant and machinery	12,375	16,500
Fixtures and fittings	1,162	1,549
Computer equipment	2,467	3,289
Carrying value	16,004	21,338

14. Fixed asset investments

Group	Unlisted investments 2023 £	Unlisted investments 2022 £
Cost or valuation		
As at 1 January 2023	11,570	8,109
Additions	3,688	3,461
At 31 December 2023	15,258	11,570
Net book value		
As at 31 December 2023	15,258	11,570

Charity	Investment in subsidiary company £
Cost at 1 January 2023 and 31 December 2023	5

14. Fixed asset investments (continued)

Principal subsidiaries

The following is a subsidiary undertaking of the Charity:

Name	Company number	Holding
Stockbridge Technology Centre Limited	04175440	100%

The financial results of the subsidiary for the year, which have been included in the consolidated results of the charity, were:

Name	Income £	Expenditure £	Tax charge £	Profit after tax for the year £	Net assets £
Stockbridge Technology Centre Limited	2,062,808	1,712,025	3,983	346,800	3,563,487

15. Stocks

	Group 2023 £	Group 2022 £
Raw materials and consumables	61,364	85,850

The charity had no stock in either the current or the prior year.

16. Debtors

	Group		Charity	
Due within one year	2023 £	2022 £	2023 £	2022 £
Trade debtors	393,639	503,705	1,706	4,340
Corporation tax recoverable	49,066	104,175	-	-
Prepayments and accrued income	87,003	79,670	-	18,956
	529,708	687,550	1,706	23,296

17. Creditors: Amounts falling due within one year

	Group		Charity	
	2023	2022	2023	2022
	£	£	£	£
Bank loans (note 19)	131,970	109,122	-	-
Trade creditors	205,719	146,721	2,175	-
Amounts owed to subsidiary	-	-	-	52
Other taxation and social security	90,008	143,807	-	-
Finance leases and hire purchase (note 21)	3,185	4,050	-	-
Other creditors	3,440	689	-	-
Accruals	144,253	48,910	6,132	5,760
Deferred income (note 20)	7,489	99,517	-	-
	586,064	552,816	8,307	5,812

18. Creditors: Amounts falling due after more than one year

	Group 2023	Group 2022
	£	£
Bank loans - 1-2 years (note 19)	88,265	137,160
Bank loans - 2-5 years (note 19)	142,832	314,228
Net obligations under finance lease and hire purchase contracts (note 21)	-	3,185
	231,097	454,573

The charity had no creditors due over one year in either this or the prior year.

Hire purchases are secured against the assets to which they relate.

19. Loans and overdrafts

The following secured debts are included within creditors:

	Group 2023	Group 2022
	£	£
Bank loans due within 1 year	131,970	109,122
Bank loans due after 1 year	231,097	451,388
	363,067	**560,510**

The group has two loans with Virgin Money, the first loan has a balance of £314,228 and the second loan has a balance of £48,839. Interest on both loans is charged at 4.25% over base. Monthly capital and interest payments are made with the final balance settled or refinanced at the maturity date. These loans are secured by a debenture creating a fixed and floating charge over the assets of the company, a legal first charge over 12.5 acres at Cawood and a legal first charge over Stockbridge House, Cawood.

20. Deferred Income

	Group 2023 £	Group 2022 £
As at 1 January 2023	99,517	34,914
Amount released to income	(99,517)	(34,914)
Amount deferred in the year	7,489	99,517
As at 31 December 2023	**7,489**	**99,517**

21. Hire purchase obligations

	Group 2023 £	Group 2022 £
Future minimum payments due under hire purchase:		
Within one year	3,185	4,050
In two to five years	-	3,185
	3,185	7,235

Hire purchases are secured against the assets to which they relate.

22. Deferred taxation

Group	2023 £	2022 £
At the beginning of the year	266,100	272,050
Charge for the year	7,700	(5,950)
Closing deferred taxation liability	273,800	266,100

The deferred tax balance is made up as follows:

	Group 2023 £	Group 2022 £
Accelerated capital allowances	273,800	266,100
	273,800	266,100

The charity had no deferred tax asset or liability in 2023 (2022 - £nil).

23. Statement of funds – Group

Statement of funds – current year

Unrestricted funds	Balance at 1 January 2023 £	Income £	Expenditure (including taxation) £	Transfers between funds £	Balance at 31 December 2023 £
General funds – all funds	1,942,919	2,431,691	(2,073,770)	344	2,301,184
Revaluation reserve	1,424,349	-	-	(344)	1,424,005
Total funds	3,367,268	2,431,691	(2,073,770)	-	3,725,189

All income and expenditure during the year are unrestricted.

Statement of funds – prior year

Unrestricted funds	Balance at 1 January 2022 £	Income £	Expenditure (including taxation) £	Transfers between funds £	Balance at 31 December 2022 £
General funds – all funds	1,614,596	2,223,008	(1,895,370)	685	1,942,919
Revaluation reserve	1,425,034	-	-	(685)	1,424,349
Total funds	3,039,630	2,223,008	(1,895,370)	-	3,367,268

All income and expenditure during the prior year are unrestricted.

24. Summary of funds - Charity

Summary of funds - current year

	Balance at 1 January 2023 £	Income £	Expenditure £	Transfers between funds £	Balance at 31 December 2023 £
General funds	150,586	51,800	(40,679)	-	161,707
Total funds	150,586	51,800	(40,679)	-	161,707

All income and expenditure during the year are unrestricted.

24. Summary of funds – Charity (continued)

Summary of funds - prior year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers between funds £	Balance at 31 December 2022 £
General funds	105,890	58,230	(13,534)	-	150,586
Total funds	105,890	58,230	(13,534)	-	150,586

All income and expenditure during the prior year are unrestricted.

25. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2023 £	Group 2022 £
Net income after tax	357,919	327,638
Adjustments for:		
Taxation charged/(credited)	3,983	(55,016)
Depreciation	89,374	82,093
Investment income	(316,445)	(140,787)
Interest expense	28,746	36,997
Loss on the sale of fixed assets	4,871	3,874
Decrease/(increase) in stocks	24,486	(12,111)
Decrease in debtors	100,610	87,485
Increase in creditors	13,390	248,490
Net cash provided by operating activities	306,934	578,663

26. Analysis of cash and cash equivalents

	Group 2023 £	Group 2022 £
Cash in hand	-	114
Cash at bank	1,089,758	750,190
Total cash and cash equivalents	1,089,758	750,304

27. Analysis of changes in net debt

	At 1 January 2023 £	Cash flows £	Loan advances £	At 31 December 2023 £
Cash at bank and in hand	750,304	339,454	-	1,089,758
Bank loans due within 1 year	(109,122)	(22,848)	-	(131,970)
Bank loans due after 1 year	(451,388)	220,291	-	(231,097)
Finance leases and Hire Purchase Contracts	(7,235)	4,050	-	(3,185)
	182,559	540,947	-	723,506

28. Operating lease commitments

At 31 December 2023 the Group had no operating lease commitments (2022 - £nil).

29. Related party transactions

Group
Included within remuneration of key management personnel is paid £34,082 (2022 - £34,567) paid to the Project Manager, the daughter of P R Branfield, a trustee, this is paid by the subsidiary entity in which she is employed.

The trading subsidiary traded with Yorkshire Botanicals Limited, an entity in which N D Bartle is also a Director. During the year, sales of £120 (2022 - £120) were made to Yorkshire Botanicals Limited and purchases of £318 (2022 - £9,716) were made from Yorkshire Botanicals Limited.

The trading subsidiary traded with FreshGro, an entity in which M Evans is the CEO. During the year, sales of £nil (2022 - £nil) were made to FreshGro and purchases of £3,500 (2022 - £nil) were made from FreshGro.

Charity
During the year the charity was recharged various expenses from its trading subsidiary, Stockbridge Technology Centre Limited. During the year recharges of £2,175 (2022 - £52) were made to the charity, at the balance sheet date this balance remains in creditors: amounts due to subsidiary.

STC Research Foundation

Independent Auditor's Report to the Members of STC Research Foundation

Opinion

We have audited the financial statements of STC Research Foundation ('the parent charitable company') and its subsidiaries ('the group') for the year ended 31 December 2023 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant account policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2023 and of the Group's income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees 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.

Independent Auditor's Report to the Members of STC Research Foundation (continued)

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 Trustees' Report including for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees for the financial statements
As explained more fully in the Trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Group and charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or charitable company or to cease operations, or have no realistic alternative but to do so.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Independent Auditor's Report to the Members of STC Research Foundation (continued)

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the Group, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the charitable company and the group through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias; and
- Performing audit work over the timing and recognition of income and in particular whether it has been recorded in the correct accounting period.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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

Alan Sidebottom

Alan Sidebottom (Senior Statutory Auditor)

18/09/2024

Azets Audit Services Limited
Chartered Accountants
Statutory Auditor

Triune Court
Monks Cross Drive
York
YO32 9GZ

STC RESEARCH FOUNDATION

England & Wales - Charity number 1106618

Accounts

Registered number: 05225211 (England and Wales)
Charity Number: 1106618

STC Research Foundation
(Company Limited by Guarantee)

Trustees' Report and Financial Statements

for the year ended 31 December 2022

STC Research Foundation

Contents

	Page
Charity Information	1
Trustees' Report	2
Independent Auditor's Report	7
Consolidated Statement of Financial Activities	10
Consolidated Balance Sheet	11
Charity Balance Sheet	12
Consolidated Statement of Cash Flows	13
Notes to the Financial Statements	14

STC Research Foundation

Charity Information

Trustees

N D Bartle	
P R Branfield	
A S Burgess	(resigned 4 September 2023)
M M Evans	
Dr D George	
J Thompson	(appointed 17 August 2022)
Professor J M Bainbridge OBE	(resigned 6 September 2022)
S G Poskitt	(resigned 6 September 2022)

Company registered number
05225211 (England and Wales)

Charity registered number
1106618

Registered office
Stockbridge House
Cawood
Selby
YO8 3TZ

Company Secretary
J K Langdale

Auditor
Azets Audit Services Limited
Triune Court
Monks Cross Drive
York
YO32 9GZ

Bankers
Yorkshire Bank plc
46 Coney Street
York
YO1 9NQ

Solicitors
Swineburne Maddison LLP
Venture House
Aykley Heads Business Centre
Durham
DH1 5TS

STC Research Foundation

Trustees' Report for the year ended 31 December 2022

The Trustees present their annual report together with the audited financial statements of STC Research Foundation for the year ended 31 December 2022. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable group comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommendation Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to UK and the Republic of Ireland (FRS 102) (effective 1 January 2019).

Reference and administrative details

The charity information on page 1 forms part of this Trustees' report.

Objectives and Activities

The company is a Charity and exists to promote agrarian practices through promotion of research, provision of lectures and publishing related information. The company took over, on 1 December 2004, the operations that were previously carried out by the UK Trust for Advancement of Agrarian Practices.

We carry out trials to test efficiency of agronomic practices and report these to our funders. The outcomes of publicly funded projects are reported to them and together we communicate the results to growers for them to use in their business. Similarly, with privately funded trials but these are more regularly demonstrated to farmers and growers invited to the site to discuss the technology in situ.

Another objective of our work is to transfer technical / scientific knowledge, often arising in Universities using Research Council funds, to farmers and growers to improve the efficiency and environmental performance of their business. The satisfaction of these farmers and growers determine the continuation and funding of future projects and sustainability of our Charitable aims.

Our work is assessed by our funders on an ongoing basis. With public funds, this is via an ongoing and final written report delivery against the criterion set. Our private funders measure success by the quality of presentations we make at demonstrations directly to their customers (farmers and growers).

Our field trial demonstration plots cover many arable crops. We carry out specific agrion on smaller but more detailed trials on field vegetables, sugar beet and a range of soft fruit. Under protection (glasshouses and closed LED facility) we grow tomatoes, peppers, cucumbers and a range of herbs and flowers. This wide range of crops allows a broad educational and technology transfer audience to achieve our objectives across a multi cropping industry.

Achieving all of this over the past 12 months has been a continuing challenge, as whilst the UK has grappled with the impact of war in Ukraine and high input cost inflation, we are also dealing with a changed Post Brexit arena for research and technology transfer.

Despite these challenges, the site has continued to operate, and staff have continued working on transferring knowledge.

Public benefit

The Charity's aims and achievements are set out within this report. The activities set out in the Trustees' report have been undertaken to further the Charity's charitable purpose for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission and the Trustees have paid due regard to this guidance in deciding what activities the Charity should undertake.

STC Research Foundation

Trustees' Report for the year ended 31 December 2022 (continued)

Achievements and performance

This period saw energy and general input cost inflation to an exceptional degree. This has had a major effect on all activities at Stockbridge, but the business has coped and income maintained.

School visits and activities in the outdoor classroom were on hold during 2022, but we are aiming to restart them in 2023.

The site continues to be busy, out on the farm broad acre trials of new varieties have continued along with investigation to test and trial tomorrow's crop protection products.

Our work together with CHAP continues to increase. We have a CHAP employee based at the STC site and current projects use the "Vertical Farm" and "Advanced Glasshouse" facility with other projects in STC glasshouses.

In the glass work has ranged from seed production, through to investigating pharmaceutical use as before. The range of crops and environments grown has been diverse. Trials on growing media have increased as companies strive to develop peat free growing media to meet government target of zero peat products.

The team has communicated effectively with clients negotiating cost increases in line with inflated input costs. This has enabled the continued growing of crops / trials to the site's capacity.

Memorial trees to both Graham Ward and Roger Sayer were planted at the site in 2022 to mark the passing of both these crucial founding executives of Stockbridge.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

The group currently has unrestricted reserves of £3,367,268 (2021 - £3,039,630). However, a substantial proportion of these reserves are tied up in fixed assets, which means that the free reserves available for unrestricted use is £261,785. This equates to approximately 52 days operating costs. The Trustees consider 100 days or £500,000 in reserve to be sufficient and excess to this will be used to pay down long term loans. This policy should provide the group with the ability to undertake unfunded research projects and meet any timing delays arising through either current or future funding streams.

It is the policy of the charitable group to maintain mainly unrestricted funds at a level sufficient to promote and maintain the objectives.

Our reserve policy (and borrowing) is based around our land ownership which we have no reason to believe will fall below £3m. Our cash reserves are basically to cover short term cash flow and possible project failures. They cover approximately 37% of our annual turnover.

Principal risks and uncertainties

Our stability is based around our land value where our borrowings are limited to 40% exposure. Our functional risk is whether farmers and growers still require demonstration and / or field assessment of agronomic risks. We have explained that our private funders (suppliers of goods to farmers in the main) are continually placing forward work. Our public funders are, we regret, in continual disarray both with UK policy, and by exit from the EU. We are carrying out considerable adaptions to our business model to offset this risk to less than 20% of our work from these public funded concerns.

Financial risk management objectives and policies

The Trustees have assessed the major risks to which the Charity and the Group is exposed, in particular those related to the operations and finances of the Charity and the Group, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Financial review

During the period consolidated income amounted to £2,223,008 (2021 - £1,899,960) and consolidated expenditure was £1,950,386 (2021 - £1,742,456). The group held fund balances as at 31 December 2022 of £3,367,268 (2021 - £3,039,630) compromising of £nil (2021 - £nil) of restricted funds and £3,367,268 (2021 - £3,039,630) of unrestricted funds. Unrestricted funds includes an unrealised revaluation gain of £1,424,349 (2021 - £1,425,034).

Organisational structure

STC Research Foundation is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 8 September 2004 and registered as a charity on 5 November 2004.

Fundraising

Neither the Charity nor the Group actively fundraise from the public, no commercial fundraisers are engaged. Fundraising in the charity sector has been regulated by the fundraising Regulator since 2015 but the Charity is not specifically registered. The Board is not aware of any failure by the Charity to comply with this regulation and no complaints have been received in relation to any form of fundraising.

Methods of appointment or election of Trustees

The management of the Charity and the Group is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Under those articles, the minimum number of Trustees is 3. At each AGM one third of the Trustees must retire by rotation. They are eligible for re-appointment.

The STC Research Foundation Board of Trustees is made up of experienced persons within the agricultural/horticultural business, from academia to practical farmers/growers. They oversee that the directors of Stockbridge Technology Centre Limited (STC Ltd), our delivery facility, carry out work to satisfy the aims and objectives of the charity.

Strategic short and long-term policies are set at the AGM of STC Research Foundation. The financial and functional operations are controlled by STC Ltd board who meet frequently (at least every two months). Day to day contact with all STC Ltd directors and the staff are maintained via the Administrative Manager.

Trustees are invited by the Board of Trustees after assessing what expertise is required to strengthen the charity's activities and responsibilities.

Policies adopted for the induction and training of Trustees

The training and induction provided for new Trustees depends on their existing experience. Where necessary, induction and training is provided on charity, legal and financial matters. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there might only be one or two new Trustees in any year, induction tends to be done informally and is tailored specifically to the individual.

STC Research Foundation

Trustees' Report for the year ended 31 December 2022 (continued)

Pay policy for key management personnel

We have a staff salary scale based around job descriptions which in turn takes into consideration qualifications both academic and experience. This scale and staff positions within it are reviewed by the STC Ltd directors at least once per year normally in the Spring. We base our scale levels on other similar achievements, Universities and personal knowledge. We are a "living wage" employer.

Related party relationships

The trading subsidiary, Stockbridge Technology Centre Limited was incorporated in 2001. The company develops and transfers plant technology to growers and farmers to enable them to maximise their yields of quality crops.

The Charity is managed by the Trustees of STC Research who meet as appropriate in the year to set the strategy for the group. Day to day management is undertaken by the company secretary.

Financial risk management

The Trustees have assessed the major risks to which the Group and the Charity are exposed, in particular those related to the operations and finances of the Group and the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

STC would like to able to re welcome educational visits to the site and will continue to investigate ways to do so.

STC Research Foundation continue with the core 6 Trustees that can focus on building a plan for the next 20 years. This plan will look at how the growing environment changes to focus on the impacts of climate change, a growing population and how crops integrate with this. This will evolve and be reported on over future years.

Auditors

The auditor, Azets Audit Services Limited, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Small companies exemption

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

STC Research Foundation

Trustees' Report for the year ended 31 December 2022 (continued)

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Charity law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity as at the end of the financial year and of the surplus or deficit of the charity for that period. In preparing those financial statements the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

Disclosure of information to auditors

The Trustees of the charitable company who held office at the date of approval of this annual report confirm that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Approved by order of the members of the board of Trustees on 11/9/2023 and signed on their behalf by:

Peter Branfield

Trustee



STC Research Foundation

Independent Auditor's Report to the Members of STC Research Foundation

Opinion

We have audited the financial statements of STC Research Foundation ('the parent charitable company') and its subsidiaries ('the group') for the year ended 31 December 2022 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant account policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2022 and of the Groups' income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees 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.

Independent Auditor's Report to the Members of STC Research Foundation (continued)

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 Trustees' Report including for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Trustees' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us;
- the financial statements are not in agreement with the accounting records and returns;
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of the trustees for the financial statements
As explained more fully in the Trustees' responsibilities statement, the trustees are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the Group and charitable company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the Group or charitable company or to cease operations, or have no realistic alternative but to do so.

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

A further description of our responsibilities is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above and on the Financial Reporting Council's website, to detect material misstatements in respect of irregularities, including fraud.

We obtain and update our understanding of the Group, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected and alleged fraud;
- Reviewing minutes of meetings of those charged with governance;
- Assessing the extent of compliance with the laws and regulations considered to have a direct material effect on the financial statements or the operations of the charitable company and the group through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias; and
- Performing audit work over the timing and recognition of income and in particular whether it has been recorded in the correct accounting period.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Use of our report

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

Alan Sidebottom

Alan Sidebottom (Senior Statutory Auditor)

19/09/2023

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Azets Audit Services Limited
Chartered Accountants
Statutory Auditor

Triune Court
Monks Cross Drive
York
YO32 9GZ

STC Research Foundation

Consolidated Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 December 2022

	Notes	Unrestricted Total Funds 2022 £	Unrestricted Total Funds 2021 £
Income from:			
Charitable activities	**4**	2,023,991	1,717,170
Other trading activities	**5**	58,230	70,257
Investments	**6**	140,787	112,533
Total income		2,223,008	1,899,960
Expenditure on:			
Charitable activities	**7**	1,950,386	1,742,456
Total expenditure		1,950,386	1,742,456
Net income before taxation		272,622	157,504
Taxation	**11**	55,016	(7,719)
Net movement in funds		327,638	149,785
Total funds brought forward		3,039,630	2,889,845
Total funds carried forward	**22**	3,367,268	3,039,630

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The Statement of Financial Activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognised in the year.

The notes on pages 14 to 35 form part of these financial statements.

A fully detailed comparative Statement of Financial Activities for the period ending 31 December 2021 is shown at note 30.

STC Research Foundation

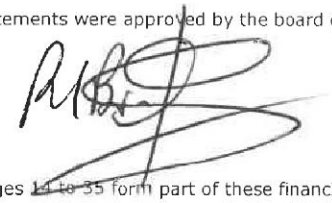
Consolidated Balance Sheet as at 31 December 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Tangible assets	**12**		3,105,483		3,134,575
Investments	**13**		11,570		8,109
			3,117,053		3,142,684
Current assets					
Stocks	**14**	85,850		73,739	
Debtors	**15**	687,550		729,658	
Cash at bank and in hand	**26**	750,304		223,164	
		1,523,704		1,026,561	
Creditors: Amounts falling due within one year	**16**	(552,816)		(850,654)	
Net current assets			970,888		175,907
Total assets less current liabilities			4,087,941		3,318,591
Creditors: amounts falling due after more than one year	**17**		(454,573)		(6,911)
Provisions for liabilities	**21**		(266,100)		(272,050)
Total net assets			3,367,268		3,039,630
Charity funds					
Unrestricted funds:					
General funds		1,942,919		1,614,596	
Revaluation reserve		1,424,349		1,425,034	
Total unrestricted funds	**22**		3,367,268		3,039,630
Total funds	**24**		3,367,268		3,039,630

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

The financial statements were approved by the board on 11/9/2023 and signed on its behalf by:

Peter Branfield
Trustee



The notes on pages 14 to 35 form part of these financial statements.

Company registration number: 05225211

STC Research Foundation

Charity Balance Sheet as at 31 December 2022

	Notes	2022 £	£	2021 £	£
Fixed assets					
Investments	**13**		5		5
Current assets					
Debtors	**15**	23,296		30,510	
Cash at bank and in hand		133,097		119,870	
		156,393		150,380	
Creditors: Amounts falling due within one year	**16**	(5,812)		(44,495)	
Net current assets			150,581		105,885
Total assets less current liabilities			150,586		105,890
Total funds			150,586		105,890

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

The financial statements were approved by the board on 11/9/2023 and signed on its behalf by:

Peter Branfield

Trustee

The notes on pages 14 to 35 form part of these financial statements.

Company registration number: 05225211

STC Research Foundation

Consolidated Statement of Cash Flows for the year ended 31 December 2022

	Notes	2022 £	2021 £
Cash flows from operating activities			
Cash from operations	25	578,663	(37,785)
Taxation (paid)/refunded		-	59,121
Net cash provided by operating activities		**578,663**	**21,336**
Cash flows from investing activities			
Investment income		140,787	112,533
Proceeds from the sale of tangible fixed assets		16,350	5,675
Purchase of investments		(3,461)	(3,549)
Purchase of tangible fixed assets		(73,225)	(52,736)
Interest paid		(36,997)	(41,018)
Net cash provided by investing activities		**43,454**	**20,905**
Cash flows from financing activities			
Repayments of borrowing		(693,889)	(96,076)
Drawdown of loans		605,303	
Hire purchase payments in the year		(6,391)	(35,239)
Hire purchase advances in the year		-	12,000
Net cash used in financing activities		**(94,977)**	**(119,315)**
Change in cash and cash equivalents in the year		**527,140**	**(77,074)**
Cash and cash equivalents at the beginning of the year		223,164	300,238
Cash and cash equivalents at the end of the year	**26**	**750,304**	**223,164**

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2022

1. General Information

The Charity is a company limited by guarantee. The members of the company are the Trustees as named on page 1. In the event of the charity being wound up, the liability of the guarantee is limited to £10 per member of the Charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1.

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

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the parent charitable company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

On the grounds that the charitable company's results are consolidated into the charitable company's group accounts the charitable company has taken advantage of certain exemptions conferred by section 1.11 of FRS 102 as follows:

- Exemption from presenting a charitable company statement of cash flows as a primary statement to the financial statements.

As permitted by s408 Companies Act 2006. The charitable company has not presented its own profit and loss account and related notes. The charitable company's profit for the year was £44,696 (2021 - £13,141).

2.2 Going concern

The trustees are constantly monitoring the financial position of the charitable group and recognise the reliance the charity has on the profitability of the trading activities of its subsidiary, especially in the post pandemic environment and the uncertainties that continues to bring.

As disclosed in note 17 to these financial statements, the group, via its subsidiary, does benefit from the support of its bank in the form of two secured loan facilities. Both of these loans were renewed during 2022 for a period of five years.

At the time of approving the financial statements, the trustees believe that it is appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements .

2.3 Income

All income is recognised once the charity has entitlement to the funds, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Investment income, gains and losses are allocated to the appropriate fund.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefits to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Trading costs represent costs incurred by the trading subsidiary, recognised on transfer of economic risk and reward.

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets costing more than £1,000 are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	2% straight line
Plant and machinery	10% to 25% reducing balance
Motor vehicles	25% reducing balance
Fixtures and fittings	25% reducing balance
Computer equipment	25% reducing balance

Depreciation is not provided on freehold land.

The Charity has adopted the revaluation model to revalue freehold land and property whose fair value can be reliably measured. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market based evidence by appraisal that is normally undertaken by professional qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in funds.

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investment in subsidiaries are valued at cost less provision for impairment.

2.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid.

2.9 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities

Liabilities and provisions are recognised where there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments of the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risk specific to the liability. The unwinding of the discount is recognised in the consolidated statement of financial activities as a finance cost.

2.11 Taxation

STC Research Foundation is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, it is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

The tax expense represents the sum of tax currently payable and deferred tax in the subsidiary undertaking, which, as a trading entity, is not afforded such tax exemptions.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of financial activities because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Where the calculation of current tax includes significant uncertainties, the trustees apply a point estimate in the calculation of the tax charge and associated asset or liability. This is calculated based on agreement with tax authorities over accepted estimates and adjustments to the Company's taxable profits, with the trustees considering it probable that a similar outcome will be obtained in the current year by adopting the same estimation methodology, and accordingly have provided for the associated tax relief on the grounds that it is probable this will be received.

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2022 (continued)

2.11 Taxation (continued)

Deferred tax
Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the statement of financial activities, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2.12 Financial instruments
The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlements value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Operating Leases
Rentals payable under operating leases, including any lease incentives received, are charged to the SoFA on a straight line basis over the lease term.

2.14 Finance leases and hire purchase
Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.15 Pensions
The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.16 Fund accounting
General and revaluation funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restriction imposed by donors or which have been raised by the Group for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set up in the notes to the financial statements.

2.17 Grants
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.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability and held within deferred income.

2.18 Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

3. Critical accounting estimates and judgements
Estimate and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgement:
Depreciation is calculated as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy.

Stock includes growing crops that are valued based on a calculation of seed and fertiliser used to date per acre.

4. Income from charitable activities

	Total Funds 2022 £	Total Funds 2021 £
Subsidiary charitable activities	2,023,141	1,716,035
Government grants	850	1,135
Total	2,023,991	1,717,170

All income in the current and prior year is unrestricted.

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2022 (continued)

5. Income from other trading activities

Income from non charitable trading activities

	Total Funds 2022 £	Total Funds 2021 £
Contract sales	58,230	70,257
Total	58,230	70,257

All income in the current and prior year is unrestricted.

6. Investment income

	Total Funds 2022 £	Total Funds 2021 £
Rents receivable	60,452	53,284
Sundry income	76,874	55,699
Investment income	3,461	3,550
Total	140,787	112,533

All income in the current and prior year is unrestricted.

7. Analysis of expenditure on activities

	Activities undertaken directly 2022 £	Support costs 2022 £	Total Funds 2022 £
Farm	4,502	-	4,502
Education/Agronomy	(120)	-	(120)
Science	1,368	-	1,368
Subsidiary charitable activities	-	1,515,705	1,515,705
General running costs	-	428,931	428,931
Total	5,750	1,944,636	1,950,386

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2022 (continued)

7. Analysis of expenditure on activities (Continued)

Analysis of direct costs

	Farm 2022 £	Education/ Agronomy 2022 £	Science 2022 £	Total Funds 2022 £
Staff costs	4,502	(120)	1,368	5,750
Direct costs	-	-	-	-
Total	4,502	(120)	1,368	5,750

Analysis of support costs

	Subsidiary charitable activities 2022 £	General running costs 2022 £	Total Funds 2022 £
Staff costs	740,522	54,631	795,153
Depreciation	82,093	-	82,093
Rates and water	-	19,393	19,393
Light and heat	-	225,324	225,324
Telephone	-	11,387	11,387
Post and stationery	-	5,207	5,207
Sundries	328,043	453	328,496
Direct costs	267,087	-	267,087
Repairs and renewals	-	68,568	68,568
Travelling and motor expenses	-	7,072	7,072
Subcontractors	57,089	-	57,089
Computer costs	-	376	376
Subscriptions	-	2,524	2,524
Training	-	5,086	5,086
Bank charges	-	3,856	3,856
Cleaning	-	1,679	1,679
Bank interest	36,997	-	36,997
Auditor's fees	-	9,450	9,450
Accountancy	-	7,330	7,330
Legal and professional fees	-	6,595	6,595
Loss on disposal of fixed assets	3,874	-	3,874
Total	1,515,705	428,931	1,944,636

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2022 (continued)

7. Analysis of expenditure on activities (continued)

	Activities undertaken directly 2021 £	Support costs 2021 £	Total Funds 2021 £
Farm	18,642	-	18,642
Education/Agronomy	(575)	-	(575)
Science	18,099	-	18,099
Subsidiary charitable activities	-	1,623,747	1,623,747
General running costs	-	82,543	82,543
Total	36,166	1,706,290	1,742,456

Analysis of direct costs

	Farm 2021 £	Education/ Agronomy 2021 £	Science 2021 £	Total Funds 2021 £
Staff costs	1,866	(575)	18,099	19,390
Direct costs	16,776	-	-	16,776
Total	18,642	(575)	18,099	36,166

7. Analysis of expenditure on activities (continued)

Analysis of support costs

	Subsidiary charitable activities 2021 £	General running costs 2021 £	Total Funds 2021 £
Staff costs	756,391	5,358	761,749
Depreciation	88,011	-	88,011
Rates and water	-	1,959	1,959
Light and heat	-	15,104	15,104
Telephone	-	754	754
Post and stationery	-	296	296
Sundries	-	4,987	4,987
Direct costs	742,801	-	742,801
Repairs and renewals	-	2,344	2,344
Travelling and motor expenses	-	146	146
Subcontractors	-	20,051	20,051
Computer running costs	-	153	153
Subscriptions	-	136	136
Training	-	89	89
Bank charges	-	45	45
Cleaning	-	186	186
Bank interest	41,018	-	41,018
Auditors' fees	-	7,700	7,700
Accountancy	-	12,279	12,279
Legal and professional fees	-	10,956	10,956
(Profit) on disposal of fixed assets	(4,474)	-	(4,474)
Total	1,623,747	82,543	1,706,290

8. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Charity's auditor:		
- for the audit of the Charity's annual accounts	6,850	5,500
- for the audit of the Charity's subsidiary annual accounts	2,600	2,200
- in respect of all non-audit services not included above	5,530	5,025

9. Staff costs

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Wages and salaries	731,231	713,296	4,906	21,150
Social security costs	57,868	55,639	694	2,954
Pension costs	11,804	12,204	150	644
	800,903	781,139	5,750	24,748

The average number of persons employed by the Group during the year was as follows:

	Group 2022 No.	Group 2021 No.
Research activities	23	24
Management and administration	6	6
Estates	5	3
	34	33

The number of employees whose emoluments (excluding pension contributions, employer's social security costs but including benefits in kind) fell within the following bands:

	2022 Number	2021 Number
£60,001 to £70,000	-	1
£70,001 to £80,000	1	-

Key management are considered to be the Director of Agronomy, Operations Director, Senior Project Manager, Project Manager and Office Manager. Remuneration paid to key management personnel during the year was £241,017 (2021 - £236,080).

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2022 (continued)

10. Trustees' remuneration and expenses

During the year no trustee received any remuneration or other benefits (2021 - £nil).

During the year no Trustee expenses have been incurred (2021 - £nil).

11. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on net income	(45,377)	(58,798)
Adjustment in respect of prior years	(3,689)	-
Total current tax credit	(49,066)	(58,798)
Deferred tax		
Origination and reversal of timing differences	(5,950)	66,517
Total deferred tax	(5,950)	66,517
Taxation (credit)/expense on net income	(55,016)	7,719

The actual charge/(credit) for the year can be reconciled to the expected charge/(credit) for the year base on the profit or loss and the standard rate of tax as follows:

	2022 £	2021 £
Net income before tax **(1)** **Note 13**	227,926	144,363
Expected tax charge based on the standard rate of corporation tax in the UK of 19% (2021 – 19%)	43,306	27,429
Effects of:		
Adjustments in respect of prior years	(3,689)	-
Research and development tax credit	(95,900)	(104,855)
Other tax adjustments	1,267	4,415
Changes in the rate of deferred tax provided	-	65,292
Total tax credit/(charge) for the period	(55,016)	(7,719)

(1) The activities of the charity remain within the charitable tax exemptions, as such the income subject to taxation relates to the profit before tax within the trading subsidiary only.

The UK budget on 3 March 2021 announced the intention to increase the tax rate from the current rate of 19% to 25%, with effect from April 2023. Deferred tax balances at the reporting date are therefore measured at 25% (2021: 25%).

Notes to the Consolidated Financial Statements for the year ended 31 December 2022 (continued)

12. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Computer equipment £	Total £
Cost or valuation						
As at 1 January 2022	3,028,290	985,646	20,582	41,275	65,178	4,140,971
Additions	26,172	18,375	-	28,345	333	73,225
Disposals	-	(184,089)	-	(19,750)	-	(203,839)
As at 31 December 2022	3,054,462	819,932	20,582	49,870	65,511	4,010,357
Depreciation						
At 1 January 2022	126,102	778,123	17,532	30,853	53,786	1,006,396
Charge for the year	20,597	51,547	762	6,318	2,869	82,093
On disposals	-	(170,212)	-	(13,403)	-	(183,615)
As at 31 December 2022	146,699	659,458	18,294	23,768	56,655	904,874
Net book values						
As at 31 December 2022	2,907,763	160,474	2,288	26,102	8,856	3,105,483
As at 31 December 2021	2,902,188	207,523	3,050	10,422	11,392	3,134,575

The charitable company had no tangible fixed assets in either this or the prior year.

Land and buildings include property leased to third parties, the fair value of the investment property component cannot be measured reliably, and as such the entire property has been accounted for as property, plant and equipment.

Included in cost or valuation of freehold land property is freehold land with a carrying value of £2,014,837 (2021 - £2,014,837) which is not depreciated.

Freehold land and buildings were valued by the directors of the subsidiary, supported by an independent valuation in September 2015. Both the directors of the subsidiary and the trustees of the charity do not consider the value to differ materially at the balance sheet date.

If freehold land and buildings had not been revalued they would have been included at the following historical cost:

	2022 £	2021 £
Cost	1,600,689	1,600,689
Accumulated depreciation	(143,447)	(123,326)
Carrying value	1,457,242	1,477,363

A non-distributable revaluation reserve of £1,424,349 (2021 - £1,425,034) exists in respect of the revalued land and buildings.

12. Tangible fixed assets (continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts are as follows:

	2022 £	2021 £
Plant and machinery	16,500	22,000
Fixtures and fittings	1,549	2,065
Computer equipment	3,289	4,385
Carrying value	21,338	28,450

13. Fixed asset investments

Group	Unlisted investments 2022 £	Unlisted investments 2021 £
Cost or valuation		
As at 1 January 2022	8,109	4,560
Additions	3,461	3,549
At 31 December 2022	11,570	8,109
Net book value		
As at 31 December 2022	11,570	8,109

Charity	Investments in subsidiary companies 2022 £	Investments in subsidiary companies 2021 £
Cost or valuation		
At 1 Jan 2022	5	5
At 31 December 2022	5	5
Net book value		
At 31 December 2022	5	5

13. Fixed asset investments (continued)

Principal subsidiaries

The following is a subsidiary undertaking of the Charity:

Name	Company number	Holding	Included in consolidation
Stockbridge Technology Centre Limited	04175440	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Tax credit £	Profit for the year £	Net assets £
Stockbridge Technology Centre Limited	2,023,141	1,795,215	55,016	282,942	3,216,687

14. Stocks

	Group 2022 £	Group 2021 £
Raw materials and consumables	85,850	73,739

15. Debtors

	Group		Charity	
Due within one year	2022 £	2021 £	2022 £	2021 £
Trade debtors	503,705	580,912	4,340	904
Corporation tax recoverable	104,175	58,798	-	-
Prepayments and accrued income	79,670	89,948	18,956	29,606
	687,550	729,658	23,296	30,510

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2022 (continued)

16. Creditors: Amounts falling due within one year

	Group		Charity	
	2022	2021	2022	2021
	£	£	£	£
Bank loans (note 18)	109,122	649,096	-	-
Trade creditors	146,721	55,552	-	8,000
Amounts owed to subsidiary	-	-	52	32,295
Other taxation and social security	143,807	51,738	-	-
Corporation tax	-	3,689	-	-
Finance leases and hire purchase (note 20)	4,050	6,715	-	-
Other creditors	689	2,356	-	-
Accruals	48,910	46,594	5,760	4,200
Deferred income (note 19)	99,517	34,914	-	-
	552,816	850,654	5,812	44,495

17. Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £
Bank loans - 1-2 years (note 18)	137,160	-
Bank loans - 2-5 years (note 18)	314,228	-
Net obligations under finance lease and hire purchase contracts (note 20)	3,185	6,911
	454,573	6,911

The charity had no creditors due over one year in either this or the prior year.

The group has two loans with Yorkshire Bank, the first loan has a balance of £392,584 and interest is charged at 4.25% over base and the second loan has a balance of £167,926 and interest is charged at 4.25% over base. Monthly capital and interest payments are made with the final balance settled or refinanced at the maturity date. These loans are secured by a debenture creating a fixed and floating charge over the assets of the company, a legal first charge over 12.5 acres at Cawood and a legal first charge over Stockbridge House, Cawood.

Hire purchases are secured against the assets to which they relate.

18. Loans and overdrafts

The following secured debts are included within creditors:

	Group 2022 £	Group 2021 £
Bank loans due within 1 year	109,122	649,096
Bank loans due after 1 year	451,388	-
	560,510	**649,096**

Bank loans are secured as disclosed in note 17 to these financial statements.

19. Deferred Income

	Group 2022 £	Group 2021 £
As at 1 January 2022	34,914	10,425
Amount released to income	(34,914)	31,513
Amount deferred in the year	99,517	(7,024)
As at 31 December 2022	**99,517**	**34,914**

20. Finance lease obligations

	2022 £	2021 £
Future minimum lease payments due under finance lease:		
Within one year	4,050	6,715
In two to five years	3,185	6,911
	7,235	13,626

Hire purchases are secured against the assets to which they relate.

21. Deferred taxation

Group	2022 £	2021 £
At the beginning of the year	272,050	205,533
Charge for the year	(5,950)	66,517
Closing deferred taxation liability	266,100	272,050

The deferred tax balance is made up as follows:

	Group 2022 £	Group 2021 £
Accelerated capital allowances	266,090	272,672
Other timing differences	10	(622)
	266,100	272,050

The charity had no deferred tax asset or liability in 2022 (2021 - £nil).

22. Statement of funds – Group

Statement of funds – current year

Unrestricted funds	Balance at 1 January 2022 £	Income £	Expenditure (including taxation) £	Transfers between funds £	Balance at 31 December 2022 £
General funds - all funds	1,614,596	2,223,008	(1,895,370)	685	1,942,919
Revaluation reserve	1,425,034	-	-	(685)	1,424,349
	3,039,630	2,223,008	(1,895,370)	-	3,367,268
Restricted funds					
Restricted funds	-	-	-	-	-
Total funds	3,039,630	2,223,008	(1,895,370)	-	3,367,268

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2022 (continued)

22. Statement of funds – Group (continued)

Statement of funds – prior year

Unrestricted funds	Balance at 1 January 2021 £	Income £	Expenditure (including taxation) £	Transfers between funds £	Balance at 31 December 2021 £
General funds – all funds	1,284,736	1,899,960	(1,750,175)	180,075	1,614,596
Revaluation reserve	1,604,206	-	-	(179,172)	1,425,034
	2,888,942	1,899,960	(1,750,175)	903	3,039,630
Restricted funds					
Restricted funds	903	-	-	(903)	-
Total funds	2,889,845	1,899,960	(1,750,175)	-	3,039,630

23. Summary of funds - Charity

Summary of funds - current year

	Balance at 1 January 2022 £	Income £	Expenditure £	Transfers between funds £	Balance at 31 December 2022 £
General funds	105,890	58,230	(13,534)	44,696	150,586
Restricted funds	-	-	-	-	-
	105,890	58,230	(13,534)	44,696	150,586

Summary of funds - prior year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers between funds £	Balance at 31 December 2021 £
General funds	91,846	70,257	(57,116)	903	105,890
Restricted funds	903	-	-	(903)	-
	92,749	70,257	(57,116)	-	105,890

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2022 (continued)

24. Group analysis of net assets between funds

Group analysis of net assets between funds – current year

	Total Funds 2022 £
Tangible fixed assets	3,105,483
Fixed asset investments	11,570
Current assets	1,523,704
Creditors due within one year	(552,816)
Creditors due in more than one year	(454,573)
Provisions for liabilities and charges	(266,100)
Total	3,367,268

Group analysis of net assets between funds – prior period

	Total Funds 2021 £
Tangible fixed assets	3,134,575
Fixed asset investments	8,109
Current assets	1,026,561
Creditors due within one year	(850,654)
Creditors due in more than one year	(6,911)
Provisions for liabilities and charges	(272,050)
Total	3,039,630

Notes to the Consolidated Financial Statements for the year ended 31 December 2022 (continued)

25. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2022 £	Group 2021 £
Net income after tax	327,638	149,785
Adjustments for:		
Taxation charged/(credited)	(55,016)	7,719
Depreciation	82,093	88,011
Investment income	(140,787)	(112,533)
Interest expense	36,997	41,018
Loss/(profit) on the sale of fixed assets	3,874	(4,474)
Increase in stocks	(12,111)	(12,282)
Decrease/(increase) in debtors	87,485	(96,180)
Increase/(decrease) in creditors	248,490	(98,849)
Net cash provided by operating activities	578,663	(37,785)

26. Analysis of cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash in hand	114	185
Cash at bank	750,190	222,979
Total cash and cash equivalents	750,304	223,164

27. Analysis of changes in net debt

	At 1 January 2022 £	Cash flows £	Loan advances £	At 31 December 2022 £
Cash at bank and in hand	223,164	527,140	-	750,304
Bank loans due within 1 year	(649,096)	693,889	(153,915)	(109,122)
Bank loans due after 1 year	-	-	(451,388)	(451,388)
Finance leases and Hire Purchase Contracts	(13,626)	6,391	-	(7,235)
	(439,558)	1,227,420	(605,303)	182,559

Notes to the Consolidated Financial Statements for the year ended 31 December 2022 (continued)

28. Operating lease commitments

At 31 December 2022 the Group had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2022 £	Group 2021 £
Not later than 1 year	4,050	6,715
Later than 1 year and not later than 5 years	3,185	6,911
	7,235	13,626

The charity had no operating lease commitments in 2022 (2021 - £nil).

29. Related party transactions

Group
Included within remuneration of key management personnel is paid £34,567 paid to the Project Manager, the daughter of P R Branfield, a trustee, this is paid by the subsidiary entity in which she is employed.

The trading subsidiary traded with Yorkshire Botanicals Limited, an entity in which N D Bartle is also a trustee. During the year sales of £120 were made to Yorkshire Botanicals Limited and purchases of £9,716 were made from Yorkshire Botanicals Limited.

Charity
During the year the charity was recharged various expenses from its trading subsidiary, Stockbridge technology centre Limited. During the year recharges of £52 were made to the charity, at the balance sheet date this balance remains in creditors: amounts due to subsidiary.

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2022 (continued)

30. Consolidated Statement of Financial Activities (Including Income and Expenditure Account) for the prior period ending 31 December 2021

	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £
Income from:			
Charitable activities	1,717,170	-	1,717,170
Other trading activities	70,257	-	70,257
Investments	112,533	-	112,533
Total income	1,899,960	-	1,899,960
Expenditure on:			
Charitable activities	1,742,456		1,742,456
Total expenditure	1,742,456		1,742,456
Net income before taxation	157,504	-	157,504
Taxation	(7,719)	-	(7,719)
Net movement in funds	149,785	-	149,785
Transfers between funds	903	(903)	-
Net movement in funds	150,688	(903)	149,785
Total funds brought forward	2,888,942	903	2,889,845
Total funds carried forward	3,039,630	-	3,039,630

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the period.

STC RESEARCH FOUNDATION

England & Wales - Charity number 1106618

Accounts

Registered number: 05225211 (England and Wales)
Charity Number: 1106618

STC Research Foundation
(Company Limited by Guarantee)

Trustees' Report and Financial Statements

for the year ended 31 December 2021

STC Research Foundation

Contents

Page

Charity Information 1

Trustees' Report 2

Independent Auditor's Report 7

Consolidated Statement of Financial Activities 11

Consolidated Balance Sheet 12

Charity Balance Sheet 13

Consolidated Statement of Cash Flows 14

Notes to the Financial Statements 15

STC Research Foundation

Charity Information

Trustees

Professor J M Bainbridge OBE	(resigned 6 September 2022)
N D Bartle	
P R Branfield	
A S Burgess	
M M Evans	
Dr D George	
S G Poskitt	(resigned 6 September 2022)

Company registered number
05225211 (England and Wales)

Charity registered number
1106618

Registered office
Stockbridge House
Cawood
Selby
YO8 3TZ

Company Secretary
J K Langdale

Auditor
Azets Audit Services Limited
Triune Court
Monks Cross Drive
York
YO32 9GZ

Bankers
Yorkshire Bank plc
46 Coney Street
York
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Solicitors
Swineburne Maddison LLP
Venture House
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Durham
DH1 5TS

STC Research Foundation

Trustees' Report for the year ended 31 December 2021

The Trustees present their annual report together with the audited financial statements of STC Research Foundation and Stockbridge Technology Limited for the year ended 31 December 2021. The annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable group comply with the current statutory requirements, the requirements of the charity's governing document and the provisions of the Statement of Recommendation Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable to UK and the Republic of Ireland (FRS 102) (effective 1 January 2019).

Reference and administrative details

The charity information on page 1 forms part of this Trustees' report.

Objectives and Activities

The company is a Charity and exists to promote agrarian practices through promotion of research, provision of lectures and publishing related information. The company took over, on 1 December 2004, the operations that were previously carried out by the UK Trust for Advancement of Agrarian Practices.

We carry out trials to test efficiency of agronomic practices and report these to our funders. The outcomes of publicly funded projects are reported to them and together we communicate the results to growers for them to use in their business. Similarly, with privately funded trials but these are more regularly demonstrated to farmers and growers invited to the site to discuss the technology in situ.

Another objective of our work is to transfer technical / scientific knowledge, often arising in Universities using Research Council funds, to farmers and growers to improve the efficiency and environmental performance of their business. The satisfaction of these farmers and growers determine the continuation and funding of future projects and sustainability of our Charitable aims.

Our work is assessed by our funders on an ongoing basis. With public funds, this is via an ongoing and final written report delivery against the criterion set. Our private funders measure success by the quality of presentations we make at demonstrations directly to their customers (farmers and growers).

Our field trial demonstration plots cover many arable crops. We carry out specific agrion on smaller but more detailed trials on field vegetables, sugar beet and a range of soft fruit. Under protection (glasshouses and closed LED facility) we grow tomatoes, peppers, cucumbers and a range of herbs and flowers. This wide range of crops allows a broad educational and technology transfer audience to achieve our objectives across a multi cropping industry.

Achieving all of this over the past 12 months has been a continuing challenge, as whilst the UK grappled with the impact of the pandemic, we have also seen a changing arena for research and technology transfer as the UK has parted from the EU.

Despite these challenges, the site has continued to operate, and staff found innovate routes to continue working on transferring knowledge. There has no doubt been areas of insurmountable challenge however the work carried out is testament to the dedication of the team at Stockbridge.

Public benefit

The Charity's aims and achievements are set out within this report. The activities set out in the Trustees report have been undertaken to further the Charity's charitable purpose for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission and the Trustees have paid due regard to this guidance in deciding what activities the Charity should undertake.

STC Research Foundation

Trustees' Report for the year ended 31 December 2021 (continued)

Achievements and performance

This period saw the continuing impacts of the pandemic. This had a major effect on some activities at Stockbridge.

School visits and activities in the outdoor classroom remain suspended, as did the flow of visitors to the site.

This was sad and was a marked change in activities. This meant a blanket of protection could be thrown around the staff on site. Plants don't suffer from covid, so the volume of work and the activities of crops didn't stop. Being able to protect the team from external risks was therefore vital to allow them to keep working and therefore allow the process of innovation and technology transfer to carry on.

The site in terms of growing crops continued to be busy, out on the farm broad acre trials of new varieties have continued along with investigation to test and trial tomorrow's protection products.

In the glass work has ranged from seed production, through to investigating pharmaceutical use as before.

The diversity of crops and environments grown has been diverse. The use of teams/zoom, calls for conferences and seminars has allowed vital lines of communication to continue.

The fact the team has continued growing crops to the sites capacity and transferring knowledge is of massive credit to them, and of course the founders of STC.

Memorial trees to both Graham Ward and Roger Sayer will be planted at the site this year to mark the passing of both these crucial founding executives of Stockbridge.

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

The group currently has unrestricted reserves of £3,039,630 (2020 - £2,888,942). However, a substantial proportion of these reserves are tied up in fixed assets, which means that the free reserves available for unrestricted use is £175,907. This equates to 37 days operating costs. The Trustees plan to increase this to 100 days or £500,000 by the close of 2022. This would provide the group with the ability to undertake unfunded research projects and meet any timing delays arising through either current or future funding streams.

It is the policy of the charitable group to maintain mainly unrestricted funds at a level sufficient to promote and maintain the objectives.

Our reserve policy (and borrowing) is based around our land ownership which we have no reason to believe will fall below £3m. Our cash reserves are basically to cover short term cash flow and possible project failures. They cover 11% of our annual turnover.

Principal risks and uncertainties

Our stability is based around our land value where our borrowings are limited to 40% exposure. Our functional risk is whether farmers and growers still require demonstration and / or field assessment of agronomic risks. We have explained that our private funders (suppliers of goods to farmers in the main) are continually placing forward work. Our public funders are, we regret, in continual disarray both with UK policy, and by exit from the EU. We are carrying out considerable adaptions to our business model to offset this risk to less than 20% of our work from these public funded concerns.

Trustees' Report for the year ended 31 December 2021 (continued)

Financial risk management objectives and policies

The Trustees have assessed the major risks to which the Charity and the Group is exposed, in particular those related to the operations and finances of the Charity and the Group, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Financial review

During the period consolidated income amounted to £1,899,960 (2020 - £1,891,110) and consolidated expenditure was £1,742,456 (2020 - £1,337,647). The group held fund balances as at 31 December 2021 of £3,039,630 (2020: £2,889,845) compromising of £nil (2020 - £903) of restricted funds and £3,039,630 (2020 - £2,888,942) of unrestricted funds. Unrestricted funds includes an unrealised revaluation gain of £1,425,034 (2020 - £1,604,206).

Organisational structure

STC Research Foundation is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 08 September 2004 and registered as a charity on 05 November 2004.

Fundraising

Neither the Charity nor the Group actively fundraise from the public, no commercial fundraisers are engaged. Fundraising in the charity sector has been regulated by the fundraising Regulator since 2015 but the Charity is not specifically registered. The Board is not aware of any failure by the Charity to comply with this regulation and no complaints have been received in relation to any form of fundraising.

Methods of appointment or election of Trustees

The management of the Charity and the Group is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Under those articles, the minimum number of directors is 3. At each AGM one third of the directors must retire by rotation. They are eligible for re-appointment.

The STC Research Foundation Board of Trustees is made up of experienced persons within the agricultural/horticultural business, from academia to practical farmers/growers. They oversee that the directors of Stockbridge Technology Centre Limited (STC Ltd), our delivery facility, carry out work to satisfy the aims and objectives of the charity.

Strategic short and long-term policies are set at the AGM of STC Research Foundation. The financial and functional operations are controlled by STC Ltd board who meet frequently (at least every two months). Day to day contact with all STC Ltd directors and the staff are maintained via the Administrative Manager.

Trustees are invited by the Board of Trustees after assessing what expertise is required to strengthen the charity's activities and responsibilities.

Policies adopted for the induction and training of Trustees

The training and induction provided for new Trustees depends on their existing experience. Where necessary, induction and training is provided on charity, legal and financial matters. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there might only be one or two new Trustees in any year, induction tends to be done informally and is tailored specifically to the individual.

Trustees' Report for the year ended 31 December 2021 (continued)

Pay policy for key management personnel

We have a staff salary scale based around job descriptions which in turn takes into consideration qualifications both academic and experience. This scale and staff positions within it are reviewed by the STC Ltd directors at least once per year normally in the Spring. We base our scale levels on other similar achievements, Universities and personal knowledge. We are a "living wage" employer.

Related party relationships

The trading subsidiary, Stockbridge Technology Centre Limited was incorporated in 2001. The company develops and transfers plant technology to growers and farmers to enable them to maximise their yields of quality crops.

The Charity is managed by the Trustees of STC Research who meet as appropriate in the year to set the strategy for the group. Day to day management is undertaken by the company secretary.

Financial risk management

The Trustees have assessed the major risks to which the Group and the Charity are exposed, in particular those related to the operations and finances of the Group and the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

Plans for future periods

STC looks forward to being able to re welcome educational visits to the site and to host open days to showcase work when it is safe and prudent to do so.

Due to the changing research environment, a number of trustees have taken the opportunity to step back to leave a smaller core that can focus on building a plan for the next 20 years.

This will look at how the growing environment changes to focus on the impacts of climate change, a growing population and how crops integrate with this. This will evolve and be reported on over future years.

Auditors

Azets Audit Services Limited were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Small companies exemption

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

STC Research Foundation

Trustees' Report for the year ended 31 December 2021 (continued)

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the charitable company for the purposes of company law) are responsible for preparing the Trustees' report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial. Under company law, the Trustees 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 the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Approved by order of the members of the board of Trustees on 6 September 2022 and signed on their behalf by:

Peter Branfield

Trustee

STC Research Foundation

Independent Auditor's Report to the Members of STC Research Foundation

Opinion
We have audited the financial statements of STC Research Foundation ('the parent charitable company') and its subsidiaries ('the group') for the year ended 31 December 2021 which comprise the Consolidated Statement of Financial Activities, the Consolidated Balance Sheet, the Charity Balance Sheet, the Consolidated Statement of Cash Flows and the related notes, including a summary of significant account policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102: The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2021 and of the Groups' income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group 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 Trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

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

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

We have nothing to report in this regard.

STC Research Foundation

Independent Auditor's Report to the Members of STC Research Foundation (continued)

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 Trustees' Report including for the financial year for which the financial statements are prepared is consistent with the financial statements; and

- the Trustees' 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 charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records or returns adequate for our audit have not been received from branches not visited by us;
- the parent charitable company financial statements are not in agreement with the accounting records and returns;
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require of our audit.

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

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

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

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

Independent Auditor's Report to the Members of STC Research Foundation (continued)

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

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the Directors and other management, and from inspection of the charitable company's regulatory and legal correspondence. We discussed with the Trustees and other management the policies and procedures regarding compliance with laws and regulations. We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance during the audit.

The charitable company and its subsidiary is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies and charities legislation), pensions legislation, taxation legislation and further laws and regulations that could indirectly affect the financial statements, comprising environmental, health and safety and employment legislation, and, in the current climate, Covid-19 regulations. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Trustees and other management and inspection of regulatory and legal correspondence, if any. These procedures did not identify any potentially material actual or suspected non-compliance.

To identify risks of material misstatement due to fraud we considered the opportunities and incentives and pressures that may exist within the charitable company to commit fraud. Our risk assessment procedures included: enquiry of Trustees and other management to understand the high level policies and procedures in place to prevent and detect fraud, reading Board minutes and considering performance targets and incentive schemes in place for management. We communicated identified fraud risks throughout our team and remained alert to any indications of fraud during the audit.

As a result of these procedures we identified the greatest potential for fraud in the following areas:

- income recognition and in particular the risk that income is recognised in the wrong reporting period;
- income given with restriction is not correctly recognised as such; and
- subjective accounting estimates such as the valuation of freehold properties.

Fraud risks arise due to having cash in the charitable company and due to a potential desire to present differing results to support the strategy of management and Trustees.

As required by auditing standards we also identified and addressed the risk of management override of controls.

We performed the following procedures to address the risks of fraud identified:

- identifying and testing high risk journal entries through vouching the entries to supporting documentation; and
- assessing significant accounting estimates for bias; and
- testing the recognition of income and in particular that it was appropriately recognised, classified as restricted as necessary or deferred; and
- review of minutes of Trustee meetings.

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

Independent Auditor's Report to the Members of STC Research Foundation (continued)

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Use of our report

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

Laura Masheder FCA DChA
Senior Statutory Auditor

7 September 2022

Azets Audit Services Limited
Statutory Auditor

Triune Court
Monks Cross Drive
York
YO32 9GZ

STC Research Foundation

Consolidated Statement of Financial Activities (including Income and Expenditure Account) for the year ended 31 December 2021

	Notes	Unrestricted Funds 2021 £	Restricted Funds 2021 £	Total Funds 2021 £	As restated Total Funds 2020 £
Income from:					
Charitable activities	**4**	1,717,170	-	1,717,170	1,572,343
Other trading activities	**5**	70,257	-	70,257	115,253
Investments	**6**	112,533	-	112,533	131,514
Total income		1,899,960	-	1,899,960	1,891,110
Expenditure on:					
Charitable activities	**7**	1,742,456		1,742,456	1,337,647
Total expenditure		1,742,456	-	1,742,456	1,337,647
Net income before taxation		157,504	-	157,504	481,643
Taxation	**12**	(7,719)	-	(7,719)	(10,440)
Net movement in funds		149,785	-	149,785	471,023
Transfers between funds		903	(903)	-	-
Net movement in funds		150,688	(903)	149,785	471,023
Reconciliation of funds:					
Total funds brought forward		2,888,942	903	2,889,845	2,418,822
Net movement in funds		150,688	(903)	149,785	471,023
Total funds carried forward	**23**	3,039,630	-	3,039,630	2,889,845

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the year.
All income and expenditure derive from continuing activities.

The Statement of Financial Activities complies with the requirements for an income and expenditure account under the Companies Act 2006 and includes all gains and losses recognised in the year.

The notes on pages 15 to 37 form part of these financial statements.

A fully detailed comparative Statement of Financial Activities for the period ending 31 December 2020 is shown at note 30.

STC Research Foundation

Consolidated Balance Sheet as at 31 December 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Tangible assets	**13**		3,134,575		3,142,251
Investments	**14**		8,109		4,560
			3,142,684		3,146,811
Current assets					
Stocks	**15**	73,739		61,457	
Debtors	**16**	729,658		725,390	
Cash at bank and in hand	**27**	223,164		300,238	
		1,026,561		1,087,085	
Creditors: Amounts falling due within one year	**17**	(850,654)		(466,135)	
Net current assets			175,907		620,950
Total assets less current liabilities			3,318,591		3,767,761
Creditors: amounts falling due after more than one year	**18**		(6,911)		(672,383)
Provisions for liabilities	**22**		(272,050)		(205,533)
Net assets			3,039,630		2,889,845
Total net assets			3,039,630		2,889,845
Charity funds					
Restricted funds	**23**		-		903
Unrestricted funds:					
General funds	**23**	1,614,596		1,284,736	
Revaluation reserve		1,425,034		1,604,206	
Total unrestricted funds	**23**		3,039,630		2,888,942
Total funds	**25**		3,039,630		2,889,845

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

The financial statements were approved by the board on 6 September 2022 and signed on its behalf by:

Peter Branfield

Trustee

The notes on pages 15 to 37 form part of these financial statements.

Company registration number: 05225211

STC Research Foundation

Charity Balance Sheet as at 31 December 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments	**14**		5		5
			5		5
Current assets					
Debtors	**16**	30,510		66,469	
Cash at bank and in hand		119,870		76,500	
		150,380		142,969	
Creditors: Amounts falling due within one year	**17**	(44,495)		(50,225)	
Net current assets			105,885		92,744
Total assets less current liabilities			105,890		92,749
Net assets			105,890		92,749
Total net assets			105,890		92,749
Charity funds					
Restricted funds	**24**		-		903
Unrestricted funds	**24**		105,890		91,846
Total funds			105,890		92,749

The Trustees acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and preparation of financial statements.

The financial statements were approved by the board on …… and signed on its behalf by:

Peter Branfield.

Trustee

The notes on pages 15 to 37 form part of these financial statements.

Company registration number: 05225211

STC Research Foundation

Consolidated Statement of Cash Flows for the year ended 31 December 2021

	Notes	2021 £	As restated 2020 £
Cash flows from operating activities			
Cash from operations	**23**	(37,785)	357,339
Taxation		59,121	(32,099)
Net cash provided by operating activities		**21,336**	**325,240**
Cash flows from investing activities			
Investment income		108,984	127,054
Proceeds from the sale of tangible fixed assets		5,675	649
Purchase of tangible fixed assets		(52,736)	(53,818)
Interest paid		(41,018)	(36,075)
Net cash used in investing activities		**20,905**	**37,810**
Cash flows from financing activities			
Repayments of borrowing		(96,076)	(75,961)
Hire purchase payments in the year		(35,239)	(6,278)
Hire purchase advances in the year		12,000	-
Net cash used in financing activities		**(119,315)**	**(82,239)**
Change in cash and cash equivalents in the year		**(77,074)**	**280,811**
Cash and cash equivalents at the beginning of the year		300,238	19,427
Cash and cash equivalents at the end of the year	**24**	**223,164**	**300,238**

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2021

1. General Information

The Charity is a company limited by guarantee. The members of the company are the Trustees as named on page 1. In the event of the charity being wound up, the liability of the guarantee is limited to £10 per member of the Charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The financial statements are prepared in sterling, which is the functional currency of the charitable company. Monetary amounts in these financial statements are rounded to the nearest £1.

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

The consolidated statement of financial activities (SOFA) and consolidated balance sheet consolidate the financial statements of the parent charitable company and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

On the grounds that the charitable company's results are consolidated into the charitable company's group accounts the charitable company has taken advantage of certain exemptions conferred by section 1.11 of FRS 102 as follows:

Exemption from presenting a charitable company statement of cash flows as a primary statement to the financial statements.

As permitted by s408 Companies Act 2006. The charitable company has not presented its own profit and loss account and related notes. The charitable company's profit for the year was £13,141 (2020 – £53,530).

2.2 Going concern

The trustees are constantly monitoring the financial position of the charitable group and recognise the reliance the charity has on the profitability of the trading activities of its subsidiary, especially in the post pandemic environment and the uncertainties that continues to bring.

As disclosed in note 19 to these financial statements the group, via its subsidiary, does benefit from the support of its bank in the from of two secured loan facilities. Both of these are due for renewal within 12 months of the year end. We have negotiated a renewal of the largest facility post year end and the second smaller facility does not expire until October 2022, however we have entered into discussions with bank and give the financial position of the company and the security it can offer for the loans the bank has indicated that they do not foresee any problems in renewing the facility.

At the time of approving the financial statements , the trustees therefore believe that it is appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements .

2.3 Income

All income is recognised once the charity has entitlement to the funds, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

Investment income, gains and losses are allocated to the appropriate fund.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Trading costs represent costs incurred by the trading subsidiary, recognised on transfer of economic risk and reward.

All expenditure is inclusive of irrecoverable VAT.

2.5 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives.

Depreciation is provided on the following bases:

Freehold property	2% straight line
Plant and machinery	25%, 20% and 10% reducing balance
Motor vehicles	25% reducing balance
Fixtures and fittings	25% reducing balance
Computer equipment	25% reducing balance

All assets are initially recorded at cost.

Depreciation is not provided on freehold land.

Tangible assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition.

The Charity has adopted the revaluation model to revalue freehold land and property whose fair value can be reliably measured. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market based evidence by appraisal that is normally undertaken by professional qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity funds.

Notes to the Consolidated Financial Statements for the year ended 31 December 2021 (continued)

2.6 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investment in subsidiaries are valued at cost less provision for impairment.

2.7 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.8 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2.9 Cash at bank and in hand

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.10 Liabilities

Liabilities and provisions are recognised where there is an obligation at the balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments of the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risk specific to the liability. The unwinding of the discount is recognised in the consolidated statement of financial activities as a finance cost.

2.11 Taxation

STC Research Foundation is a registered charity and as such is a charity within the meaning of schedule 6 of the Finance Act 2010. Accordingly, it is potentially entitled to tax exemption under part 11 of the Corporation Tax Act 2010 or section 256 of the Taxation of Chargeable Gains Act 1992 in respect of income and gains arising.

The tax expense represents the sum of the tax currently payable and deferred tax in the subsidiary undertaking, which, as a trading entity, is not afforded such tax exemptions.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit asreported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Where the calculation of current tax includes significant uncertainties, the directors apply a point estimate in the calculation of the tax charge and associated asset or liability. This is calculated based on agreement with tax authorities over accepted estimates and adjustments to the company's taxable profits, with the directors considering it probable that a similar outcome will be obtained in the current year by adopting the same estimation methodology, and accordingly have provided for the associated tax relief on the grounds that it is probable this will be received.

Notes to the Consolidated Financial Statements for the year ended 31 December 2021 (continued)

2.11 Taxation (continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2.12 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlements value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.13 Operating Leases

Rentals payable under operating leases, including any lease incentives received, are charged to the SoFA on a straight line basis over the lease term.

2.14 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.15 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the year.

2.16 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restriction imposed by donors or which have been raised by the Group for particular purposes. The cost of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set up in the notes to the financial statements.

2.17 Grants
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.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability and held within deferred income.

2.18 Employee benefits
The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

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

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

3. Critical accounting estimates and judgements
Estimate and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year discussed below.

Critical areas of judgement:
Depreciation is calculated as to write off the cost of an asset, less its residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy.

Stock includes growing crops that are valued based on a calculation of seed and fertiliser used to date per acre.

Notes to the Consolidated Financial Statements for the year ended 31 December 2021 (continued)

4. Income from charitable activities

	Total Funds 2021 £	As restated Total Funds 2020 £
Subsidiary charitable activities	1,716,035	1,569,436
Government grants	1,135	2,907
Total	1,717,170	1,572,343

All income in the current and prior year is unrestricted.

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Funds 2021 £	Unrestricted funds 2020 £	Restricted funds 2020 £	Total Funds 2020 £
Contract sales	70,257	-	70,257	63,562	51,691	115,253
Total	70,257	-	70,257	63,562	51,691	115,253

6. Investment income

	Total Funds 2021 £	Total Funds 2020 £
Rents Received	53,284	96,068
Sundry income	55,699	35,446
Investment income	3,550	-
Total	112,533	131,514

All income in the current and prior year is unrestricted.

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2021 (continued)

7. Analysis of expenditure on charitable activities

Summary by fund type

	Total Funds 2021 £	Total Funds 2020 £
Farm	18,642	31,886
Education/Agronomy	(575)	13,485
Science	18,099	19,432
Subsidiary charitable activities	1,623,747	1,174,736
General running costs	82,543	98,108
Total	1,742,456	1,337,647

8. Analysis of expenditure on activities

	Activities undertaken directly 2021 £	Support costs 2021 £	Total Funds 2021 £
Farm	18,642	-	18,642
Education/Agronomy	(575)	-	(575)
Science	18,099	-	18,099
Subsidiary charitable activities	1,623,747	-	1,623,747
General running costs	-	82,543	82,543
Total	1,659,913	82,543	1,742,456

Analysis of direct costs

	Farm 2021 £	Education/ Agronomy 2021 £	Science 2021 £	Total Funds 2021 £
Staff costs	1,866	(575)	18,099	19,390
Direct costs	16,776	-	-	16,776
Total	18,642	(575)	18,099	36,166

Notes to the Consolidated Financial Statements for the year ended 31 December 2021 (continued)

8. Analysis of expenditure on activities (continued)

Analysis of support costs

	Subsidiary charitable activities 2021 £	General running costs 2021 £	Total Funds 2021 £
Staff costs	756,391	5,358	761,749
Depreciation	88,011	-	88,011
Rates and water	-	1,959	1,959
Light and heat	-	15,104	15,104
Telephone	-	754	754
Post and stationery	-	296	296
Sundries	-	4,987	4,987
Direct costs	742,801	-	742,801
Repairs and renewals	-	2,344	2,344
Travelling and motor expenses	-	146	146
Subcontractors	-	20,051	20,051
Computer running costs	-	153	153
Subscriptions	-	136	136
Training	-	89	89
Bank charges	-	45	45
Cleaning	-	186	186
Bank interest	41,018	-	41,018
Auditors' fees	-	7,700	7,700
Accountancy	-	12,279	12,279
Legal and professional fees	-	10,956	10,956
(Profit) on disposal of fixed assets	(4,474)	-	(4,474)
Total	1,623,747	82,543	1,706,290

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2021 (continued)

8. Analysis of expenditure on activities (continued)

	Activities undertaken directly 2020 £	Support costs 2020 £	Total Funds 2020 £
Farm	31,886	-	31,886
Education/Agronomy	13,485	-	13,485
Science	19,432	-	19,432
Subsidiary charitable activities	1,174,736	-	1,174,736
General running costs	-	98,108	98,108
Total	1,239,539	98,108	1,337,647

Analysis of direct costs

	Farm 2020 £	Education/ Agronomy 2020 £	Science 2020 £	Total Funds 2020 £
Staff costs	30,789	13,485	10,939	55,213
Direct costs	1,097	-	8,493	9,590
Total	31,886	13,485	19,432	64,803

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2021 (continued)

8. Analysis of expenditure on activities (continued)

Analysis of support costs

	Subsidiary charitable activities 2020 £	General running costs 2020 £	Total Funds 2020 £
Staff costs	561,605	5,053	566,658
Depreciation	57,245	-	57,245
Rates and water	-	1,496	1,496
Light and heat	-	10,795	10,795
Telephone	-	897	897
Post and stationery	-	554	554
Sundries	-	(1,324)	(1,324)
Direct costs	513,972	6,421	520,393
Repairs and renewals	-	5,947	5,947
Travelling and motor expenses	-	2,299	2,299
Subcontractors	-	34,907	34,907
Computer running costs	-	66	66
Subscriptions	-	250	250
Training	-	51	51
Bank charges	-	327	327
Cleaning	-	245	245
Bank interest	36,075	62	36,137
Auditors' fees	-	13,000	13,000
Accountancy	-	3,549	3,549
Legal and professional fees	-	13,513	13,513
Loss on disposal of fixed assets	5,839	-	5,839
Total	1,174,736	98,108	1,272,844

Notes to the Consolidated Financial Statements for the year ended 31 December 2021 (continued)

9. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	5,500	13,000
Fees payable to the Charity's auditor for the audit of the Charity's subsidiary annual accounts	2,200	-
Fees payable to the Charity's auditor in respect of:		
All non-audit services not included above	12,279	3,549

10. Staff costs

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	713,296	570,925	21,150	54,984
Social security costs	55,639	41,574	2,954	4,374
Pension costs	12,204	9,372	644	908
	781,139	621,871	24,748	60,266

The average number of persons employed by the Group during the year was as follows:

	Group 2021 No.	Group 2020 No.
Research activities	24	28
Management and administration	6	6
Estates	3	3
	33	37

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was nil (2020 - nil).

Pension contributions totalling £nil (2020 - £2,693) were payable to the fund at the year end.

Key management are considered to be Senior Project Manager, Project Manager, Director of Agronomy, Operations Director, Office Manager. Remuneration paid to key management personnel during the year was £236,080 (2020 - £174,230).

11. Trustees' remuneration and expenses

During the year no trustee received any remuneration or other benefits (2020 - £nil).

During the year no Trustee expenses have been incurred (2020 - £nil).

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2021 (continued)

12. Taxation

	2021 £	As restated 2020 £
Corporation tax		
Research and development tax credit	(104,855)	(86,831)
Current tax on net income	46,057	95,278
Total current tax	58,798	8,447
Deferred tax		
Origination and reversal of timing differences	66,517	1,993
Total deferred tax	**66,517**	**1,993**
Taxation on net income	**(7,719)**	**(10,440)**

The tax assessed for the period is higher than (2020 – higher than) the standard rate of corporation tax in the UK of 19% (2020 – 19%). The differences are explained below:

			2021 £	2020 £
Net income before tax	**(1)**	**Note 14**	144,363	427,933
Expected tax charge			27,429	81,307
Effects of:				
Other tax adjustments			4,415	5,524
Adjustment in research and development tax credit			(104,855)	(86,831)
Changes in the rate of deferred tax provided			65,292	-
Total tax charge for the period			**(7,719)**	**(10,440)**

(1) The activities of the charity remain within the charitable tax exemptions, as such the income subject to taxation relates to the profit before tax within the trading subsidiary only.

The UK budget on 3 March 2021 announced the intention to increase the tax rate from the current rate of 19% to 25%, with effect from April 2023.

Notes to the Consolidated Financial Statements for the year ended 31 December 2021 (continued)

13. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation						
As at 1 January 2021	3,028,290	917,356	43,575	21,843	65,028	4,076,092
Additions	-	77,436	3,500	-	600	81,536
Disposals	-	(9,146)	(5,800)	(1,261)	(450)	(16,657)
As at 31 December 2021	3,028,290	985,646	41,275	20,582	65,178	4,140,971
Depreciation						
At 1 January 2021	105,833	726,362	33,710	17,561	50,375	933,841
Charge for the year	20,269	60,134	2,806	1,070	3,732	88,011
On disposals	-	(8,373)	(5,663)	(1,099)	(321)	(15,456)
As at 31 December 2021	126,102	778,123	30,853	17,532	53,786	1,006,396
Net book values						
As at 31 December 2021	2,902,188	207,523	10,422	3,050	11,392	3,134,575
As at 31 December 2020	2,922,457	190,994	9,865	4,282	14,653	3,142,251

The charitable company had no tangible fixed assets in either this or the prior year.

Included in cost or valuation of freehold land property is freehold land with a carrying value of £2,014,837 (2020 - £2,014,837) which is not depreciated.

Freehold land and buildings were valued by the directors of the subsidiary, supported by an independent valuation in September 2015. Both the directors of the subsidiary and the trustees of the charity do not consider the value to differ materially at the balance sheet date.

If freehold land and buildings had not been revalued they would have been included at the following historical cost:

	2021 £	2020 £
Cost	1,600,689	1,600,689
Accumulated depreciation	123,326	103,532
Carrying value	**1,477,363**	**1,497,157**

A non-distributable revaluation reserve of £1,425,034 (2020 - £1,604,206) exists in respect of the revalued land and buildings. Historically there has been no revaluation reserve transfer between the revaluation reserve and the profit and loss reserve to represent the difference between the historical cost depreciation and the revalued carrying value depreciation, a transfer has been made of £179,172 to correct this in full in the current year.

13. Tangible fixed assets (continued)

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts are as follows:

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2021	-	19,750	4,715	8,033	32,498
Additions	24,000	-	-	-	24,000
Transfer to owned assets	-	(19,750)	-	-	(19,750)
At 31 December 2021	24,000	-	4,715	8,033	78,023
Depreciation					
At 1 January 2021	-	10,723	1,962	2,186	14,871
Charge for the year	2.000		688	1,462	4,150
Transferred to owned assets	-	(10,723)	-	-	(10,723)
At 31 December 2021	2,000	-	2,650	3,648	39,151
Net book values					
At 31 December 2021	22,000	-	2,065	4,385	28,450
At 31 December 2020	-	9,027	2,753	5,847	17,627

14. Fixed asset investments

Group	Unlisted investments 2021 £	Unlisted investments 2020 £
Cost or valuation		
As at 1 January 2021	4,560	100
Additions	3,549	4,460
At 31 December 2021	8,109	4,560
Net book value		
As at 31 December 2021	8,109	4,560

14. Fixed asset investments (continued)

Charity	Investments in subsidiary companies 2021 £	Investments in subsidiary companies 2020 £
Cost or valuation		
At 1 Jan 2021	5	5
At 31 December 2021	5	5
Net book value		
At 31 December 2021	5	5

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Holding	Included in consolidation
Stockbridge Technology Centre Limited	04175440	100%	Yes

The financial results of the subsidiary for the year were:

Name	Income £	Expenditure £	Pre-tax profit £	Profit for the year £	Net assets £
Stockbridge Technology Centre Limited	1,841,187	1,704,543	144,363	136,644	2,933,745

15. Stocks

	Group 2021 £	Group 2020 £
Raw materials and consumables	73,739	61,457

16. Debtors

	Group		Charity	
	2021	2020	2021	2020
Due within one year	**£**	**£**	**£**	**£**
Trade debtors	580,912	437,921	904	-
Corporation Tax Recoverable	58,798	150,710	-	-
Prepayments and accrued income	89,948	136,759	29,606	66,469
	729,658	725,390	30,510	66,469

17. Creditors: Amounts falling due within one year

	Group		Charity	
	2021	2020	2021	2020
	£	**£**	**£**	**£**
Bank loans	649,096	75,552	-	-
Trade creditors	55,552	88,405	8,000	-
Amounts owed to subsidiary	-	-	32,295	-
Other taxation and social security	51,738	96,639	-	-
Corporation tax	3,689	95,279	-	-
Finance leases and hire purchase	6,715	5,302	-	-
Other creditors	2,356	6,406	-	-
Accruals and deferred income	81,508	98,552	4,200	50,225
	850,654	466,135	44,495	50,225

18. Creditors: Amounts falling due after more than one year

	Group 2021	Group 2020
	£	**£**
Bank loans – 1-2 years	-	75,552
Bank loans – 2-5 years	-	594,068
Net obligations under finance lease and hire purchase contracts	6,911	2,763
	6,911	672,383

The charity had no creditors due over one year in either this or the prior year.

The group has two secured loans with Yorkshire Bank, the first loan has a balance of £454,148 and interest is charged at 4.25% over base and the second loan has a balance of £194,948 and interest is charged at 4.25% over base. Monthly capital and interest payments are made with the final balance settled or refinanced at the maturity date. The first loan matures in June 2022 with an expected maturity value of approximately £425,000, the second loan matures in October 2022 with an expected maturity value of approximately £173,000.

At 31 December 2021 a total of £649,096 (2020 - £745,172) was outstanding. These loans are secured by a debenture creating a fixed and floating charge over the assets of the company, a legal first charge over 12.5 acres at Cawood and a legal first charge over Stockbridge House, Cawood.

Hire purchases are secured against the assets to which they relate.

19. Loans and overdrafts

The following secured debts are included within creditors:

	Group 2021 £	Group 2020 £
Bank loans	649,096	745,172
Hire purchase contracts	13,626	8,065
	662,722	**753,237**

Bank loans are secured as disclosed in note 18 to these financial statements.

Hire purchases are secured against the assets to which they relate.

20. Deferred Income

	Group 2021 £
As at 1 January 2021	10,425
Amount released to income	31,513
Amount deferred in the year	(7,024)
As at 31 December 2021	34,914

21. Finance lease obligations

	2021 £	2020 £
Future minimum lease payments due under finance lease:		
Within one year	6,715	5,302
In two to five years	6,911	2,763
	13,626	8,005

22. Deferred taxation

Group	2021 £	2020 £
At the beginning of the year	205,533	203,540
Charge for the year	66,517	1,993
	272,050	205,533

The deferred tax balance is made up as follows:

	Group 2021 £	Group 2020 £
Accelerated capital allowances	(272,672)	(203,540)
Other timing differences	622	(1,993)
	(272,050)	(205,533)

The charity had no deferred tax asset or liability in 2021 (2020 - £nil).

23. Statement of funds – Group

Statement of funds – current year

Unrestricted funds	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers between funds £	Balance at 31 December 2021 £
General funds – all funds	1,284,736	1,899,960	(1,750,175)	180,075	1,614,596
Revaluation reserve	1,604,206	-	-	(179,172)	1,425,034
	2,888,942	1,899,960	(1,750,175)	903	3,039,630
Restricted funds					
Restricted funds	903	-	-	(903)	-
Total of funds	2,889,845	1,899,960	(1,750,175)	-	3,039,630

A non-distributable revaluation reserve of £1,425,034 (2020 - £1,604,206) exists in respect of the revalued land and buildings. Historically there has been no revaluation reserve transfer between the revaluation reserve and the profit and loss reserve to represent the difference between the historical cost depreciation and the revalued carrying value depreciation, a transfer has been made of £179,172 to correct this in full in the current year.

23. Statement of funds – Group (continued)

Statement of funds – prior year

Unrestricted funds	Balance at 01 April 2020 £	Income £	Expenditure £	Transfers between funds £	Balance at 31 December 2020 £
General funds – all funds	813,713	1,854,250	(1,285,956)	(97,271)	1,284,736
Revaluation reserve	1,604,206	-	-	-	1,604,206
	2,417,919	1,854,250	(1,285,956)	(97,271)	2,888,942
Restricted funds					
Restricted funds	903	51,691	(51,691)	-	903
Total of funds	2,418,822	1,905,941	(1,434,918)	(97,271)	2,889,845

24. Summary of funds - Charity

Summary of funds - current year

	Balance at 1 January 2021 £	Income £	Expenditure £	Transfers between funds £	Balance at 31 December 2021 £
General funds	91,846	70,257	(57,116)	903	105,890
Restricted funds	903	-	-	(903)	-
	92,749	70,257	(57,116)	-	105,890

Summary of funds - prior year

	Balance at 1 April 2020 £	Income £	Expenditure £	Transfers between funds £	Balance at 31 December 2020 £
General funds	38,316	63,562	(10,032)	-	91,846
Restricted funds	903	51,691	(51,691)	-	903
	39,219	115,253	(61,723)	-	92,749

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2021 (continued)

25. Analysis of net assets between funds

Analysis of net assets between funds – current year

	Unrestricted funds 2021 £	Restricted funds 2021 £	Total Funds 2021 £
Tangible fixed assets	3,134,575	-	3,134,575
Fixed asset investments	8,109	-	8,109
Current assets	1,026,561	-	1,026,561
Creditors due within one year	(850,654)	-	(850,654)
Creditors due in more than one year	(6,911)	-	(6,911)
Provisions of liabilities and charges	(272,050)	-	(272,050)
Total	3,039,630	-	3,039,630

Analysis of net assets between funds – prior period

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total Funds 2020 £
Tangible fixed assets	3,142,251	-	3,142,251
Fixed asset investments	4,560	-	4,560
Current assets	1,086,182	903	1,087,085
Creditors due within one year	(466,135)	-	(466,135)
Creditors due in more than one year	(672,383)	-	(672,383)
Provisions of liabilities and charges	(205,533)	-	(205,533)
Total	2,888,942	903	2,889,845

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2021 (continued)

26. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 2021 £	As restated Group 2020 £
Net income after tax	149,785	471,023
Adjustments for:		
Taxation charged/(credited)	7,719	10,440
Depreciation charges	88,011	57,243
Investment income	(112,533)	(131,514)
Interest expense	41,018	36,075
(Profit)/loss on the sale of fixed assets	(4,474)	5,839
(Increase)/decrease in stocks	(12,282)	12,703
Decrease/(increase) in debtors	(96,180)	(120,522)
(Decrease)/increase in creditors	(98,849)	16,052
Net cash provided by operating activities	(37,785)	357,339

27. Analysis of cash and cash equivalents

	Group 2021 £	Group 2020 £
Cash in hand	185	227
Cash at bank	222,979	300,011
Total cash and cash equivalents	223,164	300,238

28. Analysis of changes in net debt

	At 1 January 2021 £	Cash flows £	New finance leases £	At 31 December 2021 £
Cash at bank and in hand	300,238	(77,074)	-	223,164
Debt due within 1 year	(75,552)	(573,544)	-	(649,096)
Debt due after 1 year	(699,620)	669,620	-	-
Finance leases and Hire Purchase Contracts	(8,065)	(6,439)	12,000	(13,626)
	(452,999)	1,441	12,000	(439,558)

STC Research Foundation

Notes to the Consolidated Financial Statements for the year ended 31 December 2021 (continued)

29. Operating lease commitments

At 31 December 2021 the Group had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 2021 £	Group 2020 £
Not later than 1 year	6,715	5,302
Later than 1 year and not later than 5 years	6,911	2,763
	13,626	8,065

The charity had no operating lease commitments in 2021 (2020 - £nil).

30. Consolidated Statement of Financial Activities (Including Income and Expenditure Account) for the prior period ending 31 December 2020

	As restated Unrestricted Funds 2020 £	Restricted Funds 2020 £	As restated Total Funds 2020 £
Income from:			
Charitable activities	1,572,343	-	1,572,343
Other trading activities	63,562	51,691	115,253
Investments	131,514	-	131,514
Total income	1,767,419	51,691	1,890,110
Expenditure on:			
Charitable activities	1,285,956	51,691	1,337,647
Total expenditure	1,285,956	51,691	1,337,647
Net income before taxation	481,643	-	481,643
Taxation	(10,440)	-	(10,440)
Net movement in funds	471,023	-	471,023
Reconciliation of funds:			
Total funds brought forward	2,417,919	903	2,418,822
Net movement in funds	471,023		471,023
Total funds carried forward	2,888,942	903	2,889,845

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the period.

Notes to the Consolidated Financial Statements for the year ended 31 December 2021 (continued)

31. Prior period adjustment

In the previous year research and development tax credit had been incorrectly recognised as charitable income. The financial statements have been restated to reduce income by £86,831 and reduce tax by £86,831 which reduces the surplus before tax by £86,831. There is no overall impact on net movement in funds or the balance sheet at the period end.

The cashflow statement had also been restated to reflect the matters noted above and other key presentational matters have been amended to ensure comparability with the current year.

33. Related party transactions

Group
Included within remuneration of key management personnel is £32,294 paid to the Project Manager, the daughter of P R Branfield, a trustee, this is paid from the subsidiary entity in which she is employed.

The trading subsidiary traded with Yorkshire Botanicals Limited, an entity in which N D Bartle is also a trustee. During the year sales of £768 were made to Yorkshire Botanicals Limited and purchases of £6,261 were paid to Yorkshire Botanicals Limited.

Charity
During the year the charity was recharged various expenses from its trading subsidiary, Stockbridge technology centre Limited. During the year recharges of £32,295 were made to the charity, at the balance sheet date this balance remains in creditors: amounts due to subsidiary.

As the previous year end a balance of £77,215 as converted by the subsidiary from a debtor into a donation to the parent entity, this balance represented accumulated recharges to date. Accordingly, the balance at 31 December 2020 between the charity and subsidiary was taken to £Nil.

STC RESEARCH FOUNDATION

England & Wales - Charity number 1106618

Accounts

Registered number: 05225211 (England and Wales)
Charity number: 1106618

STC RESEARCH FOUNDATION

(A company limited by guarantee)

TRUSTEES' REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020

STC RESEARCH FOUNDATION
(A company limited by guarantee)

CONTENTS

	Page
Reference and administrative details of the Charity, its Trustees and advisers	1 - 2
Trustees' report	3 - 7
Independent auditors' report on the financial statements	8 - 10
Consolidated statement of financial activities	11
Consolidated balance sheet	12 - 13
Charity balance sheet	14
Consolidated statement of cash flows	15
Notes to the financial statements	16 - 36

STC RESEARCH FOUNDATION

(A company limited by guarantee)

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS FOR THE PERIOD ENDED 31 DECEMBER 2020

Trustees

Professor J M Bainbridge OBE
N D Bartle
P R Branfield
A S Burgess
Professor W J Davies (resigned 28 October 2020)
M M Evans
C M Frampton (resigned 28 October 2020)
J Godfrey (resigned 28 October 2020)
Dr D George
J Hargreaves (resigned 28 October 2020)
Professor C Leifert (resigned 28 October 2020)
S G Poskitt

Company registered number

05225211 (England and Wales)

Charity registered number

1106618

Registered office

Stockbridge House
Cawood
SELBY
North Yorkshire
YO8 3TZ

Company secretary

J K Langdale

Independent auditors

Clive Owen LLP
Charted Accountants and Statutory Auditors
140 Coniscliffe Road
DARLINGTON
County Durham
DL3 7RT

Bankers

Yorkshire Bank plc
46 Coney Street
YORK
YO1 9NQ

REFERENCE AND ADMINISTRATIVE DETAILS OF THE CHARITY, ITS TRUSTEES AND ADVISERS (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2020

Solicitors

Swinburne Maddison LLP
Venture House
Aykley Heads Business Centre
DURHAM
DH1 5TS

STC RESEARCH FOUNDATION
(A company limited by guarantee)

TRUSTEES' REPORT
FOR THE PERIOD ENDED 31 DECEMBER 2020

The Trustees present their annual report together with the audited financial statements of the STC Research Foundation and Stockbridge Technology Limited for the 1 April 2020 to 31 December 2020. The Annual report serves the purposes of both a Trustees' report and a directors' report under company law. The Trustees confirm that the Annual report and financial statements of the charitable group comply with the current statutory requirements, the requirements of the charitable groups's governing document and the provisions of the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS102) (effective 1 January 2019).

Objectives and activities

Policies and objectives

The company is a Charity and exists to promote agrarian practices through promotion of research, provision of lectures and publishing related information. The company took over, on 1 December 2004, the operations previously carried out by the UK Trust for Advancement of Agrarian Practices.

We carry out trials to test efficiency of agronomic practices and report these to our funders. The outcomes of publicly funded projects are reported to them and together we communicate the results to growers for them to use in their business. Similarly, with privately funded trials but these are more regularly demonstrated to farmers and growers invited to the site to discuss the technology in situ.

The single objective of our work is to transfer technical / scientific knowledge, often arising in Universities using Research Council funds, to farmers and growers to improve the efficiency and environmental performance of their business. The satisfaction of these farmers and growers determine the continuation and funding of future projects and sustainability of our Charitable aims.

Our work is assessed by our funders on an ongoing basis. With public funds, this is via an ongoing and final written report delivery against the criterion set. Our private funders measure success by the quality of presentations we make at demonstrations directly to their customers (farmers and growers).

Our field trial demonstration plots cover wheat, barley, oilseed rape, peas and beans. We carry out specific agrion on smaller but more detailed trials on carrots, onions, brassica, sugar beet and a range of soft fruit. Under protection (glasshouses and closed LED facility) we grow tomatoes, peppers, cucumbers and a range of herbs and flowers. This wide range of crops allows a broad educational and technology transfer audience to achieve our objectives across a multi cropping industry.

Achieving all of this over the past 9 months has been an immense challenge, as whilst the UK grappled with the first impact of the pandemic, we have also seen a changing arena for research and technology transfer as the UK has parted from the EU.

Despite these challenges, the site has continued to operate, and staff found innovate routes to continue working on transferring knowledge. There has no doubt been areas of insurmountable challenge however the work carried out is testament to the dedication of the team at Stockbridge. Further details appear in the strategic report.

Public benefit

The Charity's aims and achievements are set out within this report. The activities set out in this report have been undertaken to further the Charity's charitable purpose for the public benefit. The Trustees have complied with the duty under Section 4 of the Charities Act 2006 to have due regard to public benefit guidance published by the Charity Commission and the Trustees have paid due regard to this guidance in deciding what activities the Charity should undertake.

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2020

Strategic report

Achievements and performance

Review of activities

The start this period saw the first impacts of the pandemic. This had a major effect on some activities at Stockbridge.

School visits and activities in the outdoor classroom immediately stopped, as did the flow of visitors to the site.

This was no doubt sad and was a marked change in activities, but it had benefits. This meant a blanket of protection could be thrown around the staff on site. Plants don't suffer from covid, so the volume of work and the activities of crops didn't stop. Being able to protect the team from external risks was therefore vital to allow them to keep working and therefore allow the process of innovation and technology transfer to carry on.

The site in terms of growing crops has therefore been busy, out on the farm broad acre trials of new varieties have continued along with investigation to test and trial tomorrow's protection products.

In the glass work has ranged from seed production, nano particles to enhance photosynthesis through to investigating pharmaceutical use.

The diversity of crops and environments grown in has therefore been diverse, one of the challenges for the team how we communicate this, so with much of the rest of the population learning how to manage the number of Teams/Zoom calls, conferences and seminars has been a challenge, but allowed vital lines of communication to share knowledge.

The lack of visitors to site however does make sourcing new work a challenge aside to navigating the changing funding environment. This means some of the new facilities are not used quote as well as we would like, however it is encouraging to see a pipeline of bids and plans to resolve this in coming years.

Aside to these many challenges the fact the team has continued growing crops and transferring knowledge is therefore of massive credit to them, and of course the founders of STC.

Graham Ward OBE, who was key to this and acted as voluntary Chief Executive, stood down in 2020, sadly he passed away early in 2021. Graham was a real industry character and fought passionately to save STC from closure and create the organisation that now operates. He was and would be proud of the operation that exists now and looks forward to coming years.

Strategic report (continued)

Financial review

Going concern

After making appropriate enquiries, the Trustees have a reasonable expectation that the Charity has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the financial statements. Further details regarding the adoption of the going concern basis can be found in the accounting policies.

Reserves policy

The group currently has unrestricted reserves of £2,851,564. However, a substantial proportion of these reserves are tied up in fixed assets, which means that the net current assets available for unrestricted use is £214,239. This equates to 40 days operating costs. The Trustees plan to increase this to 100 days or £458,000 within the next two years. This would provide the group with the ability to undertake unfunded research projects and meet any timing delays arising through either current or future funding streams.

It is the policy of the charitable Group to maintain mainly unrestricted funds at a level sufficient to promote and maintain the objectives.

Our reserve policy (and borrowing) is based around our land ownership which we have no reason to believe will fall below £3m. Our cash reserves are basically to cover short term cash flow and possible project failures. They cover 15/20% of our annual turnover.

Principal risks and uncertainties

Our stability is based around our land value where our borrowings are limited to 40% exposure. Our functional risk is whether farmers and growers still require demonstration and / or field assessment of agronomic risks. We have explained that our private funders (suppliers of goods to farmers in the main) are continually placing forward work. Our public funders are, we regret, in continual disarray both with UK policy, and this is now compounded by exit from the EU. We are carrying out considerable adaptions to our business model to offset this risk to approximately 20% of our work from these concerns.

Financial risk management objectives and policies

The Trustees have assessed the major risks to which the Charity and the Group is exposed, in particular those related to the operations and finances of the Charity and the Group, and are satisfied that systems and procedures are in place to mitigate our exposure to the major risks.

Financial review

During the period consolidated income amounted to £1,884,312 (2020: £2,142,389) and consolidated expenditure was £1,450,667 (2020: £1,938,613). The Group held fund balances as at 31 December 2020 of £2,852,467 (2020: £2,418,822) compromising of £903 (2020: £903) of restricted funds and £2,851,564 (2020: £2,417,919) of unrestricted funds.

Structure, governance and management

Constitution

STC Research Foundation is registered as a charitable company limited by guarantee and was set up by a Memorandum of Association on 08 September 2004 and registered as a charity on 5 November 2004.

Structure, governance and management (continued)

Methods of appointment or election of Trustees

The management of the Charity and the Group is the responsibility of the Trustees who are elected and co-opted under the terms of the Articles of Association. Under those articles, the minimum number of directors is 3. At each AGM one third of the directors must retire by rotation. They are eligible for re-appointment.

The STC Research Foundation Board of Trustees is made up of experienced persons within the agricultural/horticultural business, from academia to practical farmers/growers. They oversee that the directors of Stockbridge Technology Centre Limited (STC Ltd), our delivery facility, carry out work to satisfy the aims and objectives of the charity. There is one common director and company secretary between the two companies.

Strategic short and long-term policies are set at the AGM of STC Research Foundation. The financial and functional operations are controlled by STC Ltd board who meet frequently (at least every two months). Day to day contact with all STC Ltd directors and the staff are maintained via the Administrative Manager.

Trustees are invited by the Board of Trustees after assessing what expertise is required to strengthen the charity's activities and responsibilities.

Policies adopted for the induction and training of Trustees

The training and induction provided for new Trustees depends on their existing experience. Where necessary, induction and training is provided on charity, legal and financial matters. All Trustees are provided with copies of policies, procedures, minutes, accounts, budgets, plans and other documents that they will need to undertake their role as Trustees. As there might only be one or two new Trustees in any year, induction tends to be done informally and is tailored specifically to the individual.

Pay policy for key management personnel

We have a staff salary scale based around job descriptions which in turn takes into consideration qualifications both academic and experience. This scale and staff positions within it are reviewed by the STC Ltd directors at least once per year normally in the Spring. We base our scale levels on other similar achievements, Universities and personal knowledge. We are a "living wage" employer.

Related party relationships

The trading subsidiary, Stockbridge Technology Centre Limited was incorporated in 2001. The company develops and transfers plant technology to growers and farmers to enable them to maximise their yields of quality crops.

The charity is managed by the Trustees of STC Research Foundation who meet as appropriate in the year to set the strategy for the Group. Day to day management is undertaken by the company secretary.

Financial risk management

The Trustees have assessed the major risks to which the Group and the Charity are exposed, in particular those related to the operations and finances of the Group and the Charity, and are satisfied that systems and procedures are in place to mitigate exposure to the major risks.

TRUSTEES' REPORT (CONTINUED)
FOR THE PERIOD ENDED 31 DECEMBER 2020

Plans for future periods

The last period to use an overused expression has been unprecedented, looking to the future STC looks forward to being able to re welcome educational visits to the site and to host open days to showcase work, when it is safe and prudent to do so.

In light of recent events both from the pandemic and changing research environment, a number of Trustees have taken the opportunity to step back to leave a smaller core that can focus on building a plan for the next 20 years.

This will look at how the growing environment changes to focus on the impacts of climate change, a growing population and how crops integrate with this. This will evolve and be reported on over future years.

Statement of Trustees' responsibilities

The Trustees (who are also the directors of the Charity for the purposes of company law) are responsible for preparing the Trustees' report including the Strategic report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company law requires the Trustees to prepare financial statements for each financial . Under company law, the Trustees 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 the Charity and of their incoming resources and application of resources, including their income and expenditure, for that period. In preparing these financial statements, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles of the Charities SORP (FRS 102);
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards (FRS 102) have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

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

Disclosure of information to auditors

Each of the persons who are Trustees at the time when this Trustees' report is approved has confirmed that:

- so far as that Trustee is aware, there is no relevant audit information of which the charitable group's auditors are unaware, and
- that Trustee has taken all the steps that ought to have been taken as a Trustee in order to be aware of any relevant audit information and to establish that the charitable group's auditors are aware of that information.

Approved by order of the members of the board of Trustees on 28- SEPT - 21 and signed on their behalf by:

N D Bartle

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STC RESEARCH FOUNDATION

Opinion

We have audited the financial statements of STC Research Foundation (the 'parent charitable company') and its subsidiaries (the 'group') for the year ended 31 December 2020 which comprise the Consolidated Statement of Financial Activities, the Consolidated balance sheet, the Charity balance sheet, the Consolidated statement of cash flows and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent charitable company's affairs as at 31 December 2020 and of the Group's incoming resources and application of resources, including its income and expenditure for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STC RESEARCH FOUNDATION (CONTINUED)

Other information

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

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

We have nothing to report in this regard.

Opinion 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 Trustees' Report including the Strategic Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
- the Trustees' Report and the Strategic Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of our knowledge and understanding of the charitable company and its environment obtained in the course of the audit, we have not identified material misstatements in the Trustees' Report including the Strategic Report.

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

- the parent charitable company has not kept adequate and sufficient accounting records, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent charitable company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF STC RESEARCH FOUNDATION (CONTINUED)

Responsibilities of trustees

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

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

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

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

Use of our report

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

Christopher Beaumont BA (Hons) BFP FCA DChA (Senior statutory auditor)

for and on behalf of
Clive Owen LLP

Charted Accountants and Statutory Auditors

140 Coniscliffe Road

DARLINGTON

County Durham

DL3 7RT

Date:

STC RESEARCH FOUNDATION

(A company limited by guarantee)

CONSOLIDATED STATEMENT OF FINANCIAL ACTIVITIES (INCORPORATING INCOME AND EXPENDITURE ACCOUNT) FOR THE PERIOD ENDED 31 DECEMBER 2020

	Note	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	*Total funds 2020 £*
Income from:					
Charitable activities:	4				
Subsidiary charitable activities		**1,569,436**	**-**	**1,569,436**	*1,803,419*
Tax credit in subsidiary		**86,831**	**-**	**86,831**	*50,242*
Capital grant		**2,907**	**-**	**2,907**	*1,860*
Other charitable activities		**-**	**-**	**-**	*29,987*
Other trading activities	5	**63,562**	**51,691**	**115,253**	*144,853*
Investments	6	**131,514**	**-**	**131,514**	*142,015*
Total income		**1,854,250**	**51,691**	**1,905,941**	*2,172,376*
Expenditure on:					
Charitable activities:	7				
Farm		**31,886**	**-**	**31,886**	*63,517*
Education/Agronomy		**13,485**	**-**	**13,485**	*24,721*
Science		**19,432**	**-**	**19,432**	*49,867*
Subsidiary charitable activities		**1,058,664**	**-**	**1,058,664**	*1,639,545*
General running costs		**159,437**	**51,691**	**211,128**	*160,963*
Other charitable activities		**3,052**	**-**	**3,052**	*-*
Total expenditure		**1,285,956**	**51,691**	**1,337,647**	*1,938,613*
Net income before taxation		**568,294**	**-**	**568,294**	*233,763*
Subsidiary tax on profit	12	**(97,271)**	**-**	**(97,271)**	*(29,987)*
Net movement in funds before other recognised gains/(losses)		**471,023**	**-**	**471,023**	*203,776*
Other recognised gains/(losses):					
Deferred tax on revaluation		**-**	**-**	**-**	*(17,078)*
Net movement in funds		**471,023**	**-**	**471,023**	*186,698*
Reconciliation of funds:					
Total funds brought forward		**2,417,919**	**903**	**2,418,822**	*2,232,124*
Net movement in funds		**471,023**	**-**	**471,023**	*186,698*
Total funds carried forward		**2,888,942**	**903**	**2,889,845**	*2,418,822*

The Consolidated Statement of Financial Activities includes all gains and losses recognised in the period.

STC RESEARCH FOUNDATION

(A company limited by guarantee)
REGISTERED NUMBER: 05225211 (England and Wales)

CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note		31 December 2020 £		*31 March 2020 £*
Fixed assets					
Tangible assets	13		**3,142,251**		*3,152,164*
Investments	14		**4,560**		*100*
			3,146,811		*3,152,264*
Current assets					
Stocks	15	**61,457**		*74,160*	
Debtors	16	**725,390**		*485,938*	
Cash at bank and in hand		**300,238**		*82,521*	
		1,087,085		*642,619*	
Creditors: amounts falling due within one year	17	**(466,135)**		*(427,477)*	
Net current assets			**620,950**		*215,142*
Total assets less current liabilities			**3,767,761**		*3,367,406*
Creditors: amounts falling due after more than one year	18		**(672,383)**		*(745,044)*
Provisions for liabilities			**(205,533)**		*(203,540)*
Net assets excluding pension asset			**2,889,845**		*2,418,822*
Total net assets			**2,889,845**		*2,418,822*
Charity funds					
Restricted funds	20		**903**		*903*
Unrestricted funds					
General funds	20	**1,284,736**		*813,713*	
Revaluation reserve		**1,604,206**		*1,604,206*	
Total unrestricted funds	20		**2,888,942**		*2,417,919*
Total funds			**2,889,845**		*2,418,822*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020

The financial statements were approved and authorised for issue by the Trustees on 28- SEPT - 21
and signed on their behalf by:

N D Bartle

The notes on pages 16 to 36 form part of these financial statements.

STC RESEARCH FOUNDATION

(A company limited by guarantee)
REGISTERED NUMBER: 05225211 (England and Wales)

CHARITY STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2020

	Note		31 December 2020 £		*31 March 2020 £*
Fixed assets					
Investments	14		**5**		*5*
			5		*5*
Current assets					
Debtors	16	**66,469**		*12,687*	
Cash at bank and in hand		**76,500**		*82,339*	
		142,969		*95,026*	
Creditors: amounts falling due within one year	17	**(50,225)**		*(55,812)*	
Net current assets			**92,744**		*39,214*
Total assets less current liabilities			**92,749**		*39,219*
Net assets excluding pension asset			**92,749**		*39,219*
Total net assets			**92,749**		*39,219*
Charity funds					
Restricted funds	20		**903**		*903*
Unrestricted funds	20		**91,846**		*38,316*
Total funds			**92,749**		*39,219*

The Trustees acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of financial statements.

The financial statements were approved and authorised for issue by the Trustees on 28 - Sept - 21 and signed on their behalf by:

N D Bartle

The notes on pages 16 to 36 form part of these financial statements.

STC RESEARCH FOUNDATION
(A company limited by guarantee)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31 DECEMBER 2020

	2020 £	*2020 £*
Cash flows from operating activities		
Net cash used in operating activities	**413,772**	*147,646*
Cash flows from investing activities		
Dividends, interests and rents from investments	**(4,460)**	-
Proceeds from the sale of tangible fixed assets	**-**	*11,714*
Purchase of tangible fixed assets	**(53,818)**	*(140,471)*
Interest paid	**35,367**	*53,745*
Net cash used in investing activities	**(22,911)**	**(75,012)**
Cash flows from financing activities		
Repayments of borrowing	**(102,947)**	*(139,266)*
Hire purchase payments in the year	**(7,103)**	*(7,685)*
Hire purchase advances in the year	**-**	*8,033*
Net cash used in financing activities	**(110,050)**	**(138,918)**
Change in cash and cash equivalents in the period	**280,811**	**(66,284)**
Cash and cash equivalents at the beginning of the period	**19,427**	*85,711*
Cash and cash equivalents at the end of the period	**300,238**	*19,427*

The notes on pages 16 to 36 form part of these financial statements

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

1. General information

The Charity is a company limited by guarantee. The members of the company are the Trustees as named on page 1. In the event of the Charity being wound up, the liability in respect of the guarantee is limited to £10 per member of the Charity.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

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

The Consolidated statement of financial activities (SOFA) and Consolidated balance sheet consolidate the financial statements of the Group and its subsidiary undertaking. The results of the subsidiary are consolidated on a line by line basis.

The Group has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of financial activities in these financial statements.

2.2 Going concern

At the date of approval the country and indeed the rest of the world is in the midst of dealing with the Covid-19 pandemic. Whilst there is uncertainty around the length of time the Covid-19 pandemic will last and the full impact on the economy, the Trustees believe that it is appropriate to continue to adopt the going concern basis of accounting in preparing the financial statements, taking into account the continued support of the Trustees, government and finance providers.

2.3 Income

All income is recognised once the Charity has entitlement to the income, it is probable that the income will be received and the amount of income receivable can be measured reliably.

Income tax recoverable in relation to investment income is recognised at the time the investment income is receivable.

2.4 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured reliably. Expenditure is classified by activity. The costs of each activity are made up of the total of direct costs and shared costs, including support costs involved in undertaking each activity. Direct costs attributable to a single activity are allocated directly to that activity. Shared costs which contribute to more than one activity and support costs which are not attributable to a single activity are apportioned between those activities on a basis consistent with the use of resources. Central staff costs are allocated on the basis of time spent, and depreciation charges allocated on the portion of the asset's use.

2. Accounting policies (continued)

2.4 Expenditure (continued)

Expenditure on charitable activities is incurred on directly undertaking the activities which further the Group's objectives, as well as any associated support costs.

Trading costs represent costs incurred by the trading subsidiary, recognised on tranfer of economic risk and reward.

All expenditure is inclusive of irrecoverable VAT.

2.5 Taxation

The Charity is considered to pass the tests set out in Paragraph 1 Schedule 6 of the Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes. Accordingly, the Charity is potentially exempt from taxation in respect of income or capital gains received within categories covered by Chapter 3 Part 11 of the Corporation Tax Act 2010 or Section 256 of the Taxation of Chargeable Gains Act 1992, to the extent that such income or gains are applied exclusively to charitable purposes.

2.6 Tangible fixed assets and depreciation

Tangible fixed assets are initially recognised at cost. After recognition, under the cost model, tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses. All costs incurred to bring a tangible fixed asset into its intended working condition should be included in the measurement of cost.

2. Accounting policies (continued)

2.6 Tangible fixed assets and depreciation (continued)

Depreciation is charged so as to allocate the cost of tangible fixed assets less their residual value over their estimated useful lives, .

Depreciation is provided on the following bases:

Freehold property	- 2% on cost
Plant and machinery	- 25% on reducing balance, 20% on reducing balance and 10% on reducing balance
Motor vehicles	- 25% on reducing balance
Fixtures and fittings	- 25% on reducing balance
Computer equipment	- 25% on reducing balance

All assets are initially recorded at cost.

Depreciation is not provided on freehold land.

Tangible assets costing more than £1,000 are capitalised and included at cost including any incidental expenses of acquisition.

The Charity has adopted the revaluation model to revalue items of property, plant and equipment whose fair value can be reliably measured. The revaluations shall be made with sufficient regularity to ensure that the carrying amount does not differ materially fromm that which would be determined using fair value at the end of the reporting period.

The fair value of land and buildings is usually determined from market-based evidence by appraisal that is normally undertaken by professional qualified valuers. The fair value of items of plant and machinvery is usually their market value determined by appraisal.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity.

2.7 Investments

Fixed asset investments are a form of financial instrument and are initially recognised at their transaction cost and subsequently measured at fair value at the Balance sheet date, unless the value cannot be measured reliably in which case it is measured at cost less impairment. Investment gains and losses, whether realised or unrealised, are combined and presented as 'Gains/(Losses) on investments' in the Consolidated statement of financial activities.

Investments in subsidiaries are valued at cost less provision for impairment.

2.8 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

2.9 Debtors

Trade and other debtors are recognised at the settlement amount after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.

2. Accounting policies (continued)

2.10 Cash at bank and in hand

Cash at bank and in hand includes cash and short-term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

2.11 Liabilities

Liabilities and provisions are recognised when there is an obligation at the Balance sheet date as a result of a past event, it is probable that a transfer of economic benefit will be required in settlement, and the amount of the settlement can be estimated reliably.

Liabilities are recognised at the amount that the Charity anticipates it will pay to settle the debt or the amount it has received as advanced payments for the goods or services it must provide.

Provisions are measured at the best estimate of the amounts required to settle the obligation. Where the effect of the time value of money is material, the provision is based on the present value of those amounts, discounted at the pre-tax discount rate that reflects the risks specific to the liability. The unwinding of the discount is recognised in the Consolidated statement of financial activities as a finance cost.

2.12 Deferred taxation

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable surpluses from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

2.13 Financial instruments

The Group only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. Basic financial instruments are initially recognised at transaction value and subsequently measured at their settlement value with the exception of bank loans which are subsequently measured at amortised cost using the effective interest method.

2.14 Finance leases and hire purchase

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the Group. Obligations under such agreements are included in creditors, net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the Consolidated statement of financial activities so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

2.15 Pensions

The Group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the Group to the fund in respect of the period.

2. Accounting policies (continued)

2.16 Fund accounting

General funds are unrestricted funds which are available for use at the discretion of the Trustees in furtherance of the general objectives of the Group and which have not been designated for other purposes.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the Group for particular purposes. The costs of raising and administering such funds are charged against the specific fund. The aim and use of each restricted fund is set out in the notes to the financial statements.

Investment income, gains and losses are allocated to the appropriate fund.

3. Critical accounting estimates and areas of judgment

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical accounting estimates and assumptions:

The Charity makes estimates and assumptions concerning the future. The resulting accounting estimates and assumptions will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Critical areas of judgment:

Depreciation is calculated as to write off the cost of an asset, less it residual value, over the economic life of that asset. An estimate of the useful life of assets is detailed in the depreciation accounting policy.

Stock includes growing crops that are valued based on a calculation of seed and fertiliser used to date per acre.

4. Income from charitable activities

	Unrestricted funds 2020 £	**Total funds 2020 £**	*Total funds 2020 £*
Subsidiary charitable activities	1,569,436	**1,569,436**	*1,803,419*
Tax credit in subsidiary	86,831	**86,831**	*80,229*
Government grants	2,907	**2,907**	*1,860*
Total 2020	1,659,174	**1,659,174**	*1,885,508*
Total 2020	*1,885,508*	*1,885,508*	

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

5. Income from other trading activities

Income from non charitable trading activities

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	*Total funds 2020 £*
Sales contract income	63,562	51,691	**115,253**	*144,853*
Total 2020	*49,006*	*95,847*	*144,853*	

6. Investment income

	Unrestricted funds 2020 £	Total funds 2020 £	*Total funds 2020 £*
Rents received	96,068	**96,068**	*113,702*
Sundry income	35,446	**35,446**	*28,313*
	131,514	**131,514**	*142,015*
Total 2020	*142,015*	*142,015*	

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

7. Analysis of expenditure on charitable activities

Summary by fund type

	Unrestricted funds 2020 £	Restricted funds 2020 £	Total funds 2020 £	*Total funds 2020 £*
Farm	31,886	-	**31,886**	*63,517*
Education / Agronomy	13,485	-	**13,485**	*24,721*
Science	19,432	-	**19,432**	*49,867*
Subsidiary charitable activities	1,174,736	-	**1,174,736**	*1,639,545*
General running costs	46,417	51,691	**98,108**	*160,963*
	1,285,956	51,691	**1,337,647**	*1,938,613*
Total 2020	*1,842,766*	*95,847*	*1,938,613*	

8. Analysis of expenditure by activities

	Activities undertaken directly 2020 £	Support costs 2020 £	Total funds 2020 £	*Total funds 2020 £*
Farm	31,886	-	**31,886**	*63,517*
Education / Agronomy	13,485	-	**13,485**	*24,721*
Science	19,432	-	**19,432**	*49,867*
Subsidiary charitable activities	-	1,174,736	**1,174,736**	*1,639,545*
General running costs	-	98,108	**98,108**	*160,963*
	64,803	1,272,844	**1,337,647**	*1,938,613*
Total 2020	*138,105*	*1,800,508*	*1,938,613*	

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

8. Analysis of expenditure by activities (continued)

Analysis of direct costs

	Farm 2020 £	Education / Agronomy 2020 £	Science 2020 £	**Total funds 2020 £**	*Total funds 2020 £*
Staff costs	30,789	13,485	10,939	**55,213**	*118,580*
Direct costs	1,097	-	8,493	**9,590**	*19,525*
	31,886	13,485	19,432	**64,803**	*138,105*
Total 2020	*63,517*	*24,721*	*49,867*	*138,105*	

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

8. Analysis of expenditure by activities (continued)

Analysis of support costs

	Subsidiary charitable activities 2020 £	General running costs 2020 £	Total funds 2020 £	*Total funds 2020 £*
Staff costs	561,605	5,053	**566,658**	*778,478*
Depreciation	57,245	-	**57,245**	*73,026*
Rates and water	-	1,496	**1,496**	*3,103*
Light and heat	-	10,795	**10,795**	*23,082*
Telephone	-	897	**897**	*2,193*
Post and stationery	-	554	**554**	*1,413*
Advertising	-	-	**-**	*954*
Sundries	-	(1,324)	**(1,324)**	*5,691*
Direct costs	513,972	6,421	**520,393**	*762,795*
Repairs and renewals	-	5,947	**5,947**	*12,135*
Travelling and motor expenses	-	2,299	**2,299**	*7,297*
Subcontractors	-	34,907	**34,907**	*33,227*
Computer running costs	-	66	**66**	*163*
Subscriptions	-	250	**250**	*494*
Training	-	51	**51**	*1,294*
Bank charges	-	327	**327**	*1,111*
Cleaning	-	245	**245**	*613*
Bank interest	36,075	62	**36,137**	*56,840*
Auditors fees	-	13,000	**13,000**	*6,300*
Accountancy	-	3,549	**3,549**	*4,212*
Legal and professional fees	-	13,513	**13,513**	*21,587*
Profit and loss on disposal of fixed assets	5,839	-	**5,839**	*4,500*
	1,174,736	98,108	**1,272,844**	*1,800,508*
Total 2020	*1,639,545*	*160,963*	*1,800,508*	

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

9. Auditors' remuneration

	2020 £	*2020 £*
Fees payable to the Charity's auditor for the audit of the Charity's annual accounts	**13,000**	*6,300*
Fees payable to the Charity's auditor in respect of:		
All non-audit services not included above	**3,549**	*4,412*

10. Staff costs

	Group 2020 £	*Group 2020 £*	Company 2020 £	*Company 2020 £*
Wages and salaries	**570,925**	*815,724*	**54,984**	*116,001*
Social security costs	**41,574**	*65,613*	**4,374**	*10,292*
Contribution to defined contribution pension schemes	**9,372**	*15,721*	**908**	*2,358*
	621,871	*897,058*	**60,266**	*128,651*

The average number of persons employed by the Charity during the period was as follows:

	Group 2020 No.	*Group 2020 No.*
Research activities	**28**	*24*
School visits	**-**	*2*
Management and administration	**6**	*6*
Estates	**3**	*4*
	37	*36*

The number of employees whose employee benefits (excluding employer pension costs) exceeded £60,000 was:

	Group 2020 No.	*Group 2020 No.*
In the band £70,001 - £80,000	**-**	*1*

Remuneration paid to key management personnel during the year was £174,230 (2020: £278,603).

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

11. Trustees' remuneration and expenses

During the period, no Trustees received any remuneration or other benefits *(2020 - £NIL)*.

During the period ended 31 December 2020, no Trustee expenses have been incurred *(2020 - £NIL)*.

12. Taxation

	2020 £	*2020 £*
Corporation tax		
Current tax on net income for the period	**95,278**	*29,738*
Total current tax	**95,278**	*29,738*
Deferred tax		
Origination and reversal of timing differences	**1,993**	*249*
Total deferred tax	**1,993**	*249*
Taxation on net income	**97,271**	*29,987*

The tax assessed for the period is higher than (*2020 - higher than*) the standard rate of corporation tax in the UK of -% (*2020 -* -%). The differences are explained below:

	2020 £	*2020 £*
Net income before tax	**568,294**	*233,763*
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**1,687**	*4,693*
Depreciation for period in excess of capital allowances/(Capital allowances for period in excess of depreciation)	**30,382**	*(43,905)*
Adjustment in research and development tax credit leading to an increase/(decrease) in the tax charge	**65,202**	*69,199*
Total tax charge for the period	**97,271**	*29,987*

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

13. Tangible fixed assets

Group and Company

	Freehold property £	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation						
At 1 April 2020	**3,026,106**	**908,382**	**43,575**	**21,843**	**66,711**	**4,066,617**
Additions	**5,939**	**47,879**	**-**	**-**	**-**	**53,818**
Disposals	**(3,755)**	**(38,905)**	**-**	**-**	**(1,683)**	**(44,343)**
At 31 December 2020	**3,028,290**	**917,356**	**43,575**	**21,843**	**65,028**	**4,076,092**
Depreciation						
At 1 April 2020	**91,004**	**727,424**	**31,433**	**16,575**	**48,017**	**914,453**
Charge for the period	**15,142**	**35,457**	**2,277**	**986**	**3,381**	**57,243**
On disposals	**(313)**	**(36,519)**	**-**	**-**	**(1,023)**	**(37,855)**
At 31 December 2020	**105,833**	**726,362**	**33,710**	**17,561**	**50,375**	**933,841**
Net book value						
At 31 December 2020	**2,922,457**	**190,994**	**9,865**	**4,282**	**14,653**	**3,142,251**
At 31 March 2020	*2,935,102*	*180,958*	*12,142*	*5,268*	*18,694*	*3,152,164*

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

14. Fixed asset investments

Group	Unlisted investments £
Cost or valuation	
At 1 April 2020	100
Revaluations	4,460
At 31 December 2020	4,560
Net book value	
At 31 December 2020	4,560
At 31 March 2020	*100*

Charity	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2020	5
At 31 December 2020	5
Net book value	
At 31 December 2020	5
At 31 March 2020	*5*

14. Fixed asset investments (continued)

Principal subsidiaries

The following was a subsidiary undertaking of the Charity:

Name	Company number	Holding	Included in consolidation
Stockbridge Technology Centre Limited	04175440	100%	Yes

The financial results of the subsidiary for the period were:

Name	Income £	Expenditure £	Profit/(Loss) / Surplus/ (Deficit) for the period £	Net assets £
Stockbridge Technology Centre Limited	**1,703,857**	**1,198,709**	**505,148**	**2,756,671**

15. Stocks

	Group 31 December 2020 £	*Group 31 March 2020 £*
Raw materials and consumables	**61,457**	*74,160*

16. Debtors

	Group 31 December 2020 £	*Group 31 March 2020 £*	Company 31 December 2020 £	*Company 31 March 2020 £*
Due within one year				
Trade debtors	**437,921**	*319,169*	**-**	*984*
Other debtors	**150,710**	*118,611*	**-**	*-*
Prepayments and accrued income	**136,759**	*48,158*	**66,469**	*11,703*
	725,390	*485,938*	**66,469**	*12,687*

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

17. Creditors: Amounts falling due within one year

	Group 31 December 2020 £	*Group 31 March 2020 £*	Company 31 December 2020 £	*Company 31 March 2020 £*
Bank overdrafts	-	*63,094*	-	-
Bank loans	**75,552**	*75,552*	-	-
Other loans	-	*7,500*	-	-
Trade creditors	**88,405**	*101,553*	-	*562*
Other taxation and social security	**191,918**	*16,973*	-	-
Obligations under finance lease and hire purchase contracts	**5,302**	*7,380*	-	-
Other creditors	**6,406**	*7,825*	-	-
Accruals and deferred income	**98,552**	*147,600*	**50,225**	*55,250*
	466,135	*427,477*	**50,225**	*55,812*

	Group 31 December 2020 £	*Group 31 March 2020 £*	Company 31 December 2020 £	*Company 31 March 2020 £*
Deferred income				
Deferred income at 1 April 2020	**104,346**	*231,620*	**47,580**	*78,225*
Amounts released from previous periods	**(51,732)**	*(127,274)*	**(5,014)**	*(30,645)*
	52,614	*104,346*	**42,566**	*47,580*

18. Creditors: Amounts falling due after more than one year

	Group 31 December 2020 £	*Group 31 March 2020 £*
Bank loans	**669,620**	*738,081*
Net obligations under finance lease and hire purchase contracts	**2,763**	*6,963*
	672,383	*745,044*

19. Deferred taxation

	31 December 2020 £
Group and Charity	
At the beginning of the period	**203,540**
Charge for the period	**1,993**
Deferred tax on revaluation	**-**
	205,533

The deferred tax balance is made up as follows:

	Group 31 December 2020 £	*Group 31 March 2020 £*
Accelerated capital allowances	**(203,540)**	*(41,299)*
Deferred tax on revaluation	**(1,993)**	*(162,241)*
	(205,533)	*(203,540)*

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

20. Statement of funds

Statement of funds - current period

	Balance at 1 April 2020 £	Income £	Expenditure £	Taxation £	Balance at 31 December 2020 £
Unrestricted funds					
General Funds - all funds	38,316	1,854,250	(1,285,956)	(97,271)	509,339
Reserves	775,397	-	-	-	775,397
Revaluation reserve	1,604,206	-	-	-	1,604,206
	2,417,919	1,854,250	(1,285,956)	(97,271)	2,888,942
Restricted funds					
Restricted Funds - all funds	903	51,691	(51,691)	-	903
Total of funds	2,418,822	1,905,941	(1,337,647)	(97,271)	2,889,845

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

20. Statement of funds (continued)

Statement of funds - prior period

	Balance at 1 April 2019 £	*Income* £	*Expenditure* £	*Taxation* £	*Gains/ (Losses)* £	*Balance at 31 March 2020* £
Unrestricted funds						
General Funds - all funds	*(5,199)*	*49,006*	*(178,144)*	-	-	*(134,337)*
Reserves	*615,136*	*1,997,536*	*(1,634,635)*	*(29,987)*	-	*948,050*
Revaluation reserve	*1,621,284*	-	-	-	*(17,078)*	*1,604,206*
	2,231,221	2,046,542	(1,812,779)	(29,987)	*(17,078)*	*2,417,919*
Restricted funds						
Restricted Funds - all funds	*903*	*95,847*	*(95,847)*	-	-	*903*
Total of funds	*2,232,124*	*2,142,389*	*(1,908,626)*	*(29,987)*	*(17,078)*	*2,418,822*

21. Summary of funds

Summary of funds - current period

	Balance at 1 April 2020 £	**Income** £	**Expenditure** £	**Taxation** £	**Balance at 31 December 2020** £
General funds	**2,417,919**	**1,854,250**	**(1,285,956)**	**(97,271)**	**2,888,942**
Restricted funds	**903**	**51,691**	**(51,691)**	**-**	**903**
	2,418,822	**1,905,941**	**(1,337,647)**	**(97,271)**	**2,889,845**

21. Summary of funds (continued)

Summary of funds - prior period

	Balance at 1 April 2019 £	*Income* £	*Expenditure* £	*Taxation* £	*Gains/ (Losses)* £	*Balance at 31 March 2020* £
General funds	*2,231,221*	*2,046,542*	*(1,812,779)*	*(29,987)*	*(17,078)*	*2,417,919*
Restricted funds	*903*	*95,847*	*(95,847)*	-	-	*903*
	2,232,124	*2,142,389*	*(1,908,626)*	*(29,987)*	*(17,078)*	*2,418,822*

22. Analysis of net assets between funds

Analysis of net assets between funds - current period

	Unrestricted funds 31 December 2020 £	**Restricted funds 31 December 2020 £**	**Total funds 31 December 2020 £**
Tangible fixed assets	3,142,251	-	**3,142,251**
Fixed asset investments	4,560	-	**4,560**
Current assets	1,086,182	903	**1,087,085**
Creditors due within one year	(466,135)	-	**(466,135)**
Creditors due in more than one year	(672,383)	-	**(672,383)**
Provisions for liabilities and charges	(205,533)	-	**(205,533)**
Total	2,888,942	903	**2,889,845**

22. Analysis of net assets between funds (continued)

Analysis of net assets between funds - prior period

	Unrestricted funds 31 March 2020 £	*Restricted funds 31 March 2020 £*	*Total funds 31 March 2020 £*
Tangible fixed assets	3,152,164	-	*3,152,164*
Fixed asset investments	100	-	*100*
Current assets	641,716	903	*642,619*
Creditors due within one year	(427,477)	-	*(427,477)*
Creditors due in more than one year	(745,044)	-	*(745,044)*
Provisions for liabilities and charges	(203,540)	-	*(203,540)*
Total	2,417,919	903	*2,418,822*

23. Reconciliation of net movement in funds to net cash flow from operating activities

	Group 31 December 2020 £	*Group 31 March 2020 £*
Net income for the period (as per Statement of Financial Activities)	**471,023**	*203,776*
Adjustments for:		
Depreciation charges	**57,243**	*73,026*
Loss on the sale of fixed assets	**5,839**	*4,500*
Decrease/(increase) in stocks	**12,703**	*(5,087)*
Increase in debtors	**(239,452)**	*(25,907)*
Increase/(decrease) in creditors	**104,423**	*(119,989)*
Deferred tax	**1,993**	*17,327*
Net cash provided by operating activities	**413,772**	*147,646*

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2020

24. Analysis of cash and cash equivalents

	Group 31 December 2020 £	*Group 31 March 2020 £*
Cash in hand	**227**	*182*
Cash at bank	**300,011**	*82,339*
Overdraft facility repayable on demand	**-**	*(63,094)*
Total cash and cash equivalents	**300,238**	*19,427*

25. Analysis of changes in net debt

	At 1 April 2020 £	Cash flows £	At 31 December 2020 £
Cash at bank and in hand	**82,521**	**217,717**	**300,238**
Bank overdrafts repayable on demand	**(63,094)**	**63,094**	**-**
Debt due within 1 year	**(83,052)**	**7,500**	**(75,552)**
Debt due after 1 year	**(738,081)**	**68,461**	**(669,620)**
Finance leases	**(14,343)**	**6,278**	**(8,065)**
	(816,049)	**363,050**	**(452,999)**

26. Operating lease commitments

At 31 December 2020 the Group and the Charity had commitments to make future minimum lease payments under non-cancellable operating leases as follows:

	Group 31 December 2020 £	*Group 31 March 2020 £*
Not later than 1 year	**2,459**	*3,278*
Later than 1 year and not later than 5 years	**-**	*6,963*
	2,459	*10,241*